House
REPUBLICAN
Conference

Legislative Digest

Week of May 22, 2000 | Vol. XXIX, #14, May 19, 2000

J.C. Watts, Jr.
Chairman
4th District, Oklahoma

Monday, May 22

The House Meets at 12:30 p.m. for Morning Hour and 2:00 p.m. for Legislative Business
(No votes before 6:00 p.m.)

**** Ten Suspensions**

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S. 430	Kake Tribal Corporation Public Interest Land Exchange Act	p.3
H.R. 154	Establishing a Fee System for Commercial Filming Activities on Federal Land	p.4
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H.Con.Res. 302	A National Moment of Remembrance to Honor the Men and Women who died in the Pursuit of Freedom and Peace	p.12

****One Bill Under a Rule**

H.R. 4392	Intelligence Reauthorization Act	p.13

Tuesday, May 23 and the Balance of the Week

On Tuesday House Meets at 9:00 a.m. for Morning Hour and 10:00 a.m. for Legislative Business
On Wednesday and Thursday, the House meets at 10:00 a.m. for Legislative Business
On Friday the House will meet at 9:00 a.m. for Legislative Business
(No votes expected after 2 p.m.)

**** Eight Suspensions**

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S. 1402	Veterans and Dependents Millennium Education Act	
H.J.Res. 98	Supporting the Day of Honor for Minority Veterans from World War II	p.19
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H.Con.Res. 293	Urging Compliance with the Hague Convention on the Civil Aspects of Child Abduction	p.21
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H.R. 2498	Cardiac Arrest Survival Act	p.26

**** Six Bills Under A Rule**

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H.R. 4461	FY 2001 Agriculture Appropriations Act	p.28
H.R. ___	FY 2001 Legislative Branch Appropriations Act	p.43
H.R. 4444	Authorizing Normal Trade Relations with the People's Republic of China	p.50
H.R. 3916	Telephone Excise Tax Repeal Act	p.55
H.R. 1304	Quality Health Care-Coalition Act	p.56

⇨To be published in a future issue of the *Legislative Digest*

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Lewis and Clark Rural Water System Act of 1999

H.R. 297

Committee on Resources
No Report Filed
Introduced by Mr. Thune on January 6, 1999

Floor Situation:

The House is scheduled to consider H.R. 297 under suspension of the rules on Monday, May 22, 2000. It is debatable for 40 minutes, may not be amended, and requires two-thirds majority vote for passage.

Summary:

The bill authorizes the construction of the Lewis and Clark Rural Water System. It also authorizes assistance to the Lewis and Clark Rural Water System, Inc., a nonprofit corporation, for the planning and construction of the water supply system. The bill directs the Secretary of the Interior to make grants to the Lewis and Clark Rural Water System, Inc. and requires the Interior Secretary to make funds available to the system and other private, State, and Federal entities. Moreover, the bill requires the system to establish a water conservation system that utilizes practical technology and is monitored periodically. It also specifies that mitigation for fish and wildlife losses, incurred as a result of construction and operation of the water supply system, must be on an acre-for-acre basis.

Furthermore, it requires the Western Area Power Administration to meet pumping and incidental operational requirements of the water supply system during the period beginning May 1, and ending October 31, of each year, from power designated for future irrigation and drainage pumping for the Pick-Sloan Missouri Basin program. The bill does not limit the authorization for water projects in South Dakota, Iowa, and Minnesota or preempt State water rights. Both federal and non-federal agencies will share the cost of this program. Appropriations are authorized at $26.3 million.

Background:

The Lewis and Clark legislation was originally introduced in the 104th Congress, reintroduced in the 105th Congress, and was the subject of numerous House and Senate hearings. Moreover, the Clinton Administration has fought this legislation for the past eight years. The Lewis and Clark Rural Water System which, when completed, will serve over 180,000 people in 22 communities, covering almost 5,900 square miles throughout South Dakota, Minnesota, and Iowa. Over two-thirds of the people that would be served by the system live in the metropolitan area of Sioux Falls, South Dakota.

This legislation focuses on the increasing need the people of the region have for access to clean, safe, affordable drinking water. The ability of rural America to survive and grow is directly related to the ability of rural areas and growing communities to have access to adequate supplies of safe drinking water. Without a reliable supply of water, these areas cannot attract new businesses and create jobs.

In a rural state like South Dakota the link between the creation of jobs and adequate water supplies cannot be emphasized enough. Cities and towns throughout the Lewis and Clark project region are limiting new construction and development to preserve existing water supplies. Due to these limitations communities have permanent restrictions on the use of water for activities such as washing cars and watering lawns. Additionally, more than 75 percent of the population relies on shallow wells and limited water supplies, posing the risk of exposure to contamination.

CBO/Committee Actions:

A CBO estimate was not available at press time.

The Commerce Committee reported the bill by voice vote on May 17, 2000.

Sam Shaw, 226-2302

Kake Tribal Corporation Land Transfer Act

S. 430

Committee on Resources
H. Rept. 106-489
Introduced by Sen. Murkowski on February 22, 1999

Floor Situation:

The House is scheduled to consider S. 430 under suspension of the rules on Monday, May 22, 2000. It is debatable for 40 minutes, may not be amended, and requires a two-thirds majority vote for passage.

Summary:

S. 430 amends the Alaska Native Claims Settlement Act to allow the Kake Tribal Corporation to exchange roughly 1,400 acres currently used for watershed facilities for vacant land. The legislation authorizes the U.S. Forest Service to cooperate with the tribe to create a watershed management plan that protects "lands described as a watershed, a municipal drinking water source, a source of fresh water for the Gunnuk Creek Hatchery, and habitat for black bear, deer, birds, and other wildlife."

Background:

The Alaska Native Claims Settlement Act (ANCSA) of 1971 settled the aboriginal land claims of all Alaska Natives. Under ANCSA, Natives were awarded 44 million acres of federal land in fee title to be owned and managed by private business corporations organized and owned solely by the Natives. Alaskan Natives organized their corporations according to the village and region to which they belonged. These lands are private lands and may be sold like any other private lands free of federal trust or oversight issues. Kake Tribal Corporation is a Native Village Corporation formed under the terms of ANCSA, owned by and representing Alaska Natives from the village of Kake, an isolated town in the Tongass National Forest.

Costs/Committee Action:

CBO estimates that enacting this bill would not have a significant impact on the federal budget. Because the bill could affect offsetting receipts (a credit against direct spending), pay-as-you-go procedures would apply, but we estimate that any increase in direct spending would total less than $500,000 a year.

The bill was reported by the House Committee on Resources on January 27, 2000.

Jennifer Lord, 226-7860

Establishing a Fee System for Commercial Filming Activities on Federal Land

H.R. 154

Committee on Resources
Report 106-75
Introduced by Mr. Hefley on January 6, 1999

Floor Situation:

The House is scheduled to consider H.R. 154 under suspension of the rules on Monday, May 22, 2000. It is debatable for 40 minutes, may not be amended, and requires a two-thirds majority vote for passage.

Summary:

H.R. 154 directs the Secretaries of the Interior and Agriculture to establish a reasonable fee for commercial filming activities on lands under their jurisdiction. The secretaries must then use the money to cover all costs (example: administrative expenses) associated with giving film, video and photography professionals access to the land. This fee does not apply to land where public photography is allowed.

The legislation also prohibits filming/taping/photography in areas where such activity would cause environmental damage, disrupt public use of the land or cause health or safety concerns. Additionally, the bill requires that the secretaries create a process that will ensure timely responses to permit requests.

Costs/Committee Action:

CBO cannot estimate the amount of offsetting receipts that would be earned under the new authorities contained in H.R. 154. Nevertheless, because the bill also would allow the agencies to spend whatever new receipts are earned, we estimate that enacting the bill would have no significant net impact on the federal budget over the next several years.

The Committee on Resources reported the bill on March 23, 1999.

Jennifer Lord, 226-7860

National Historic Preservation Act Amendments of 1999

H.R. 834

Committee on Resources
H. Rept. 106-541
Submitted by Mr. Hefley on February 24, 1999

Floor Situation:

The House is scheduled to consider H.R. 834 under suspension of the rules on Monday, May 20, 2000. It is debatable for 40 minutes, may not be amended, and requires a two-thirds majority vote for passage.

Summary:

H.R. 834 amends the National Historic Preservation Act Amendments of 1999 to reauthorize the Historic Preservation Fund and the Advisory Council for Historic Preservation through FY 2005. The legislation abolishes the requirement that federal agencies use existing available historic properties before building or leasing new buildings. Other amendments in the bill are of a technical or conforming nature. This includes changing the Secretary of the Interior's National Trust for Historic Preservation in the United States grant program authority from mandatory to discretionary.

Costs/Committee Action:

CBO estimates that implementing H.R. 834 would result in additional discretionary spending of nearly $600 million over the 2000-2005 period. (About $170 million would be spent in subsequent years.) The legislation would not affect direct spending or receipts; therefore, pay-as-you-go procedures would not apply.

The bill passed the House under suspension of the rules on September 21, 1999 and was amended and passed by the Senate on April 13, 2000.

Jennifer Lord, 226-7860

Centennial Raising of the American Flag in American Samoa
H.Res. 443

Committee on Resources
H.Rept. 106-582
Introduced by Mr. Faleomavaega *et al.* on March 16, 2000

Floor Situation:

The House is scheduled to consider H.Res. 443 on Monday, May 22, 2000 under suspension of the rules. It is debatable for 40 minutes, may not be amended, and requires a two-thirds majority vote for passage.

Summary:

H.Res. 443 recognizes the historical significance of the centennial raising of the American flag over the United States Territory of American Samoa. The bill also reaffirms the United States commitment to improved self-governance, economic development and expansion of domestic commerce for the United States citizens and nationals of American Samoa.

Background:

The United States first made contact with the Samoan Islands in 1839 as a part of a congressionally authorized Naval Expedition to the South Pacific, led by Commander Charles Wilkes. From this expedition a number of agreements and treaties were formed that resulted in President McKinley issuing an executive order on February 19, 1900 placing the Eastern group of Samoan islands under the control of the Department of the Navy. This order required the Navy Secretary to take the necessary steps to establish the authority of the United States and give the islands protection.

On April 17, 2000 the leaders of the islands of Tutuila and Aunu'u signed instruments of cession to the United States, and the United States flag was raised at the United States Naval Station. Roughly four years later the king of Manu'a and the chiefs of the Manu'a islands that now comprise the Eastern most islands of American Samoa signed the last instrument of cession. In 1929 Congress recognized these acts of cession in law and delegated the authority for the administration of the islands to the President of the United States.

Cost/Committee Action:

The CBO estimates that H.Res. 443 will have no impact on the federal budget.

H.Res. 443 was reported by voice vote from the Resources Committee on April 13, 2000.

Greg Mesack, 226-2305

Making Improvements in the Operation and Administration of Federal Courts

H.R. 1752

Committee on the Judiciary
H.Rept. 106-312
Introduced by Mr. Coble on May 11, 1999

Floor Situation:

The House is scheduled to consider H.R. 1752 on Monday, May 22, 2000 under suspension of the rules. It is debatable for 40 minutes, may not be amended, and requires a two-thirds majority vote for passage.

Summary:

H.R. 1752 contains several provisions intended to improve the operation and administration of the federal courts system, eliminate inefficiencies, and, to the extent it is prudent to do so, reduce operating expenses. The bill affects a wide range of judicial branch programs and addresses judicial financial administration, judicial process improvements, judiciary personnel administration, benefits and protections, and Criminal Justice Act amendments affecting the federal judiciary.

Background:

The Judicial Conference of the United States, which oversees the Administrative Office of the U.S. Courts, periodically makes recommendations to the Congress for improvements in the administration of the federal judicial system. The Judicial Conference sets policy for the federal judiciary and many of the provisions of H.R. 1752 were developed and approved by the Conference. The changes are designed to make a positive impact on federal court operations and improve the delivery of justice to litigants in the federal system.

Title I (Judicial Financial Administration) provides for a mechanism to transfer funds from the federal Assets Forfeiture Funds of the U.S. Department of Justice and U.S. Treasury Department to a special Treasury fund to offset funds appropriated for the operation and maintenance of the U.S. courts for expenses incurred in the adjudication of civil and criminal forfeiture proceedings including representing offenders whose assets have been seized. It would also offset the costs of supervision by U.S. probation officers of offenders in home or alternative detention.

The bill provides for the transfer of funds, by election of a judge or magistrate, from the Civil Service Retirement and Disability fund to the Retirement and Survivors' Annuities for Bankruptcy and Magistrates Act of 1988. It also amends provisions establishing the Judiciary Information Technology Fund to exempt it from the so-called Clinger-Cohen Act of 1996. Title I also requires that a portion of miscellaneous fees collected by the Judicial Conference from various types of litigation in the federal system which exceed the amount of fees existing on the date of enactment of this section be deposited in the special Treasury fund described above. Finally, the fee schedule of the federal bankruptcy system is amended to correct inconsistencies in the filing fees for chapter 7, chapter 9, chapter 11, and chapter 13 cases under the federal Bankruptcy Code.

Title II (Judicial Process Improvements) provides for the appointment of magistrate judges in the district courts of Guam and the Northern Mariana Islands, gives criminal and civil contempt authority to U.S. magistrates, permits magistrates to try petty offenses involving juveniles, reauthorizes the Contract Services for Drug Dependent Federal Offenders Treatment Act of 1978, realigns places for holding court in certain district court divisions in Texas, and authorizes federal district court and appellate court judges to permit recording and broadcasting to the public of court proceedings for a trial period of three years.

Title III (Judicial Personnel Administration, Benefits and Protections) provides for retirement and disability coverage for the new judges in Guam and the Northern Mariana Islands; authorizes a judicial officer to carry a firearm, concealed or not under regulations promulgated by the Judicial Conference and directs the U.S. Department of Justice to provide appropriate training with firearms for judicial officers; and repeals an exemption for members of the armed services, fire or police or other official personnel from serving on juries. The bill authorizes the appointment of new circuit court executives, changes annual leave limits for persons in the Senior Executive Service who may be serving in the judicial branch, and permits retired military personnel to continue to have payments made to survivors' benefits plans while employed as a U.S. justice or judge.

Title IV (Criminal Justice Act Amendments) provides for an increase in the amount of compensation permitted for attorneys and for services other than counsel. (The increase is 44 percent, which represents the rate of inflation since 1986—the last time it was adjusted). The bill also exempts federal public defenders from the federal Tort Claims Act for claims arising from representational services, but makes them subject to the malpractice provisions of 18 U.S.C. 3006A(g)(3).

Costs/Committee Action:

CBO estimates that implementing H.R. 1752 would cost $186 million for FY2000-2004 subject to appropriation of the necessary funds. Direct spending would be increased by about $20 million in FY 2001, but in subsequent years any effect on direct spending and receipts in negligible. Pay-as-you-go procedures would apply.

The Judiciary Committee reported the measure by voice vote on July 27, 1999.

Eric Hultman, 226-2304

Extending the Deadline for the Commencement of Construction of Hydroelectric Dam

H.R. 3852 and S. 1236

Committee on Commerce
H. Rept. 106-629 and S.Rept. 106-170
Introduced by Mr. Demint and Senator Craig

Floor Situation:

The House is scheduled to consider H.R. 3852 and S. 1236 on Monday, May 22, 2000 under suspension of the rules. They are debatable for 40 minutes, may not be amended, and requires two-thirds vote for passage.

Summary:

Section 12 of the Federal Power Act requires that a hydroelectric licensee begin construction of its project within two years of issuance. The Federal Energy Regulatory Committee (FERC) can extend that deadline one time.

H.R. 3852 will extend for three consecutive two-year periods the time in which a company licensed to begin construction of a dam in Alabama. The FERC will grant the extension at the request of the licensee. The extension will take effect at the end of the current period required for commencement of construction.

S. 1236 extends for five years the time in which the contracted company begins construction of the Arrowrock Hydroelectric Project in Idaho. The FERC will grant the extension at the request of the licensee. The time period is extended until March 26, 2005.

CBO/Committee Action:

CBO estimates that enacting H.R. 3852 and S. 1236 will have no net effect on the federal budget.

The Commerce Committee reported both bills by voice vote on May 17, 2000.

Greg Mesack, 226-2305
Sam Shaw, 226-2302

Muhammad Ali Boxing Reform Act

H.R. 1832

Committees on Commerce and Education and the Workforce
H.Rept. 106-449, Pt. 1
Introduced by Mr. Oxley on May 17, 1999

Floor Situation:

The House is scheduled to consider H.R. 1832 under suspension of the rules on Monday, May 22, 2000. It is debatable for 40 minutes, may not be amended, and requires a two-thirds majority vote for passage.

Summary:

H.R. 1832 is designed to protect the rights and welfare of professional boxers on an interstate basis by preventing certain exploitative, oppressive, and unethical business practices. Additionally, the bill helps state boxing commissions in their efforts to provide more effective public oversight of the sport.

The bill amends the 1996 Professional Boxing Safety Act (*P.L. 104-272*) to establish certain minimum requirements for contracts between boxers and their promoters and managers. In particular, it limits exclusive promotional rights to a maximum of 12 months and prohibits a promoter or a sanctioning organization from requiring a boxer to grant further promotional rights in order to fight in a mandatory bout. As amended by the Senate, the bill would similarly prohibit commercial broadcasters from imposing coercive contracts on boxers. The bill also prohibits promoters from having a financial interest in the management of a boxer, and vice versa, although only for boxers who fight over 10 rounds. Furthermore, it establishes objective and consistent written criteria for the ratings of professional boxers and requires any change in a Top-10 boxer's rankings to be made available on the Internet.

This bill mandates that sanctioning organizations must submit to the Federal Trade Commission (FTC), or post on the Internet, a complete description of their ratings criteria, policies, general sanctioning fee schedule, bylaws, and appeals procedure. The officers and employees of sanctioning organizations may not receive any non-*de minimis* compensation or gifts from a promoter, boxer, or manager, other than their fee for sanctioning a match and any reasonable expenses. The measure also requires sanctioning organizations to provide to a state's boxing commission specific financial information before a fight. This includes a statement of all charges, fees, and costs the organization will assess any boxer participating in that match and all payments the organization will receive for its affiliation with the event from all sources.

H.R. 1832 requires promoters to provide to the appropriate state boxing commission copies of (1) any agreements they have with a boxer; (2) a statement of all expenses that will be assessed the boxer; (3) any benefits the promoter is providing to sanctioning organizations affiliated with the event; (4) and any reduction in a boxer's purse contrary to previous agreements (as well as disclosing other sources of revenue). These disclosures are protected by a confidentiality provision.

The bill mandates that judges and referees must be certified and approved by state boxing commissions and disclose their sources of compensation for participating in fights. The bill also directs that unsportsmanlike conduct be added to the list of suspendable offenses. The measure directs the Association of Boxing Commissions (ABC) to develop and approve guidelines on boxing contract requirements, uniform rules, and rating criteria. Finally, the bill reduces the record-keeping burden on the states by extending boxing licenses from two years to four years.

Background:

For years on end the public has speculated whether boxing is "fixed." In past decades many fights have come to controversial ends such as knockouts in the first rounds (dives). Moreover, controversies have swirled around the sport regarding illegal promotion practices, biased judging, and seemingly pre-arranged fights based on name and rank, not talent (the higher the boxer's rank, the higher the pay off). One need look no further than the weekly headlines of the International Boxing Federation (IBF) officials being accused of taking over $300,000 in bribes. Last year, the president of the IBF and three officials (including his son) were indicted on charges of taking bribes from promoters and managers in order to manipulate rankings over a 13-year period. This suit involved 23 boxers of all weights and seven promoters and managers, though none were named. The 32-count indictment contained charges of conspiracy, racketeering, and money laundering. The trial is currently being prosecuted on federal bribery charges.

Costs/Committee Action

CBO estimates that H.R. 1832 will have no significant impact on the federal budget.

The Commerce committee reported the bill by voice-vote on September 29, 1999. The Education & Workforce Committee discharged the measure on November 4. The Senate passed H.R. 1832 by unanimous consent on April 7, 2000.

Brendan Shields, 226-0378

Observing a National Moment of Remembrance to Honor the Men and Women who Died in the Pursuit of Freedom and Peace

H.Con.Res. 302

Committee on Government Reform
No House Report Filed
Introduced by Ms. Rohrabacher on April 11, 2000

Floor Situation:

The House is scheduled to consider H.Con.Res. 302 on Monday, May 22, 2000 under suspension of the rules. It is debatable for 40 minutes, may not be amended, and requires two-thirds majority vote for passage.

Summary:

The resolution calls on the people of the United States to observe a National Moment of Remembrance to honor the men and women of the United States who died in the pursuit of freedom and peace. A National Moment of Remembrance each Memorial Day at 3:00 p.m., local time, would provide the people of the United States an opportunity to participate. Furthermore, the resolution requests that the President issue a proclamation calling on the people of the United States to observe such a National Moment of Remembrance.

The preservation of basic freedoms has always been valued in the United States. Thousands of American men and women have given their lives in service as peacemakers and peacekeepers. The demonstration of our appreciation has always been an important aspect of remembrance in the United States. Memorial Day, in particular, has always been an appropriate day to remember those who have given their lives for this Nation. The establishment of a National Moment will help preserve past and educate future generations on the importance of Memorial Day.

Committee Action:

The bill has not been considered by a House Committee.

Sam Shaw, 226-2302

FY 2001 Intelligence Authorization Act

H.R. 4392

Permanent Select Committee on Intelligence
H.Rept. 106-___
Introduced by Mr. Goss on May 8, 2000

Floor Situation:

The House is scheduled to continue consideration of H.R. 4392 on Monday, May 22, 2000. The Rules Committee granted a modified open rule that provides one hour of general debate, equally divided between the chairman and ranking minority member of the Intelligence Committee. It makes a committee substitute amendment as base text and waives points of order against it. The rule makes in order only those amendments printed in the *Congressional Record.* The chairman of the Committee of the Whole may postpone votes and reduce the voting time on a postponed vote to five minutes, so long as it follows a regular 15-minute vote. Finally, the rule provides one motion to recommit, with or without instructions.

Summary:

H.R. 4392 authorizes appropriations for the intelligence activities of 11 federal agencies including the Central Intelligence Agency (CIA), the National Security Agency (NSA), the Defense Intelligence Agency (DIA), and the Federal Bureau of Investigation (FBI). The authorization level is classified. The funding levels and personnel ceilings for most programs are outlined in a classified annex to the committee report, which members only may review in the offices of the Permanent Select Committee on Intelligence in H-405 in the Capitol.

The bill authorizes the Director of Central Intelligence, if approved by the Director of the Office of Management and Budget, to exceed personnel ceilings by two percent if it is necessary for intelligence functions. The congressional intelligence committees are notified if any changes in these levels are made.

The bill authorizes $144 million and 356 personnel for the Intelligence Community Management Account (CMA) for FY 2001. The account pays for staff serving the CIA Director in his role as the head of the intelligence community and funds the Advanced Research and Development Committee and the Environmental Intelligence and Applications Program. From this amount, the bill authorizes a transfer of $28 million to the Attorney General for the National Drug Intelligence Subsection (NDIC), which is located in Johnstown, Pennsylvania.

Central Intelligence Retirement and Disability System

H.R. 4392 authorizes $216 million for the Central Intelligence Agency Retirement and Disability System (CIARDS) in FY 2000. CIARDS retirement benefits are available to certain CIA employees and their beneficiaries and are paid from a separate fund. Employees contribute to the program and the CIA provides matching contributions.

Central Intelligence Agency

This measure permits the deposit of miscellaneous receipts into the CIA's Working Capital Fund of the Central Services Program first authorized as part of the FY 1998 authorization (*P.L. 105-107*).

Department of Defense

This title extends the authority of the Defense Department to engage in commercial activities as security for intelligence collection activities. Additionally, the title limits the National Reconnaissance Office from using external contracting offices for the purposes of negotiating, writing, or managing future launch vehicle or launch services contracts.

Department of State

The Committee took budget action that restricts the State Department's ability to utilize funds authorized for its Bureau of Intelligence and Research pending a certification by the Director of Central Intelligence that the Department is meeting the necessary standards for protecting classified information.

General Provisions

Finally, the measure (1) authorizes an increase in the salary, pay, retirement, and other benefits for federal employees of the intelligence community; (2) stipulates that the authorization of appropriations does not constitute authority for the conduct of any intelligence activity that is precluded by the Constitution or U.S. law; (3) expresses the sense of Congress that the Director of Central Intelligence should continue awarding contracts that maximize the procurement of products produced in the United States, when such action is compatible with national security interest, consistent with operational and security concerns, and fiscally sound; (4) the Director of the CIA (or an authorized designee) may authorize travel on any common carrier that maintains or enhances the protection of sources or methods of intelligence collection or maintain or enhance the security of personnel of the intelligence community in carrying out their duties; and (5) mandates that yearly reports be submitted on the acquisition of technology relating to weapons of mass destruction and advanced conventional munitions.

Costs/Committee Action:

An official CBO cost estimate was unavailable at press time.

The Permanent Select Committee on Intelligence ordered H.R. 4392 reported by a vote of 12-0, on Wednesday, May 10, 2000.

Brendan Shields, 226-0378

Authorizing the Congressional Gold Medal for Pope John Paul II

H.R. 3544

Committee on Banking and Financial Services
No Report Filed
Submitted by Mr. Leach on January 27, 2000

Floor Situation:

The House is scheduled to consider H.R. 3544 on Tuesday, May 23, 2000 under suspension of the rules. It is debatable for 40 minutes, may not be amended, and requires a two-thirds majority vote for passage.

Summary:

H.R. 3544 awards the Congressional Gold Medal to Pope John Paul II in recognition of his many contributions to peace and religious understanding. The measure directs that the president, after consulting with congressional leaders, will determine the provisions by which the medal will be awarded. The Treasury Secretary will determine the emblems, devices and inscriptions to be placed on the medal. Furthermore the bill allows for bronze duplicates of the medal to be made for resale at a price sufficient to cover the costs of making the duplicate medals. Finally, the bill authorizes $30,000 to be charged against the Numismatic Public Enterprises Fund to pay for the cost of the medal, and that any proceeds from the sale of duplicate medals shall be deposited into that fund.

Background

Pope John Paul II was born as Karol Wojtyla on May 18, 1920 in Krakow, Poland. He would later become a Cardinal in the Catholic Church in 1967. On October 16, 1978 Cardinal Wojtyla was selected as Pope, the first Polish person to be selected to the position. Since his appointment as leader of the Catholic Church, with more than on billion followers, Pope John Paul II has provided the leadership necessary to bring the church into the third millennium. During his tenure he has dedicated his Pontificate to freedom and dignity for all humans around the world. During the Cold War John Paul II used his moral authority to hasten the end of the intolerant totalitarian regimes, and has thrown open the doors of the Catholic Church, reconciling differences within Christendom as well as reaching out to other religions around the world.

Costs/Committee Action:

The bill was not considered by a committee.

At press time the CBO had not released a cost estimate.

Greg Mesack, 226-2305

Veterans and Dependents Millennium Education Act
H.R. 4268

Committee on Veterans Affiars
H.Rept. 106-628
Introduced by Senator Specter *et al.* on April 13, 2000

Floor Situation:

H.R. 4268 is scheduled to be considered by the House under susupension of the rules on Tuesday, May 23, 2000. It is debatable for 40 minutes, may not be amended, and requires a two-thirds majority vote for passage.

Summary:

This bill makes a number of changes to provide greater educational assistance to veterans and their survivors under the Montgomery GI Bill (MGIB), and other programs. The bill increases the current MGIB rate from $536 to $600 a month on October 1, 2000 and $720 a month on October 21, 2002 for full time students. Part-time students will receive proportionate increases. The measure also increases Survivors' and Dependents' Educational Assistance.

The measure allows another opportunity for individuals still on active duty to convert from the Veterans Education Assistance Program to the MGIB for $2,700, which can be paid incrementally. Finally, the bill extends a number of temporary authorities within the Department of Veterans Affairs to 2008, from September 30, 2002.

Background:

The Montgomery GI Bill was created in 1984 as a means to provide educational opportunities for veterans whose lives were interrupted by military service. Since then, the MGIB has given hundreds of thousands of veterans the opportunity to attend college. Currently there are nearly 410,000 veterans using the program, and for the upcoming academic year there are estimated to be 519,000 people – including veterans and their survivors – who will benefit from the program. The MGIB was also designed to serve as a tool for recruiting qualified personnel into the military in a period when the United States was accused of having a "hollow force." In the time after its inception the MGIB has seen its ability to provide both a readjustment fund and a recruitment tool decrease. College tuition and other expenses, such as housing and books, have increased dramatically, while the MGIB has not. Furthermore, 68 percent of military retirees are leaving the forces married and many have families and cannot afford to pay the difference between their tuition and the MGIB rate. The Transition Commission reported that "during the school year 1996-1996, the MGIB covered only 36 percent of total costs at the average four-year college."

As academic assistance the MGIB is woefully inadequate. Analysis furnished by the Partnership for

Veterans Education, established in January 2000, concludes that the basic MGIB monthly benefit would have to be $975 per month for a veteran student to be able to pay the tuition and associated expenses at an average four year institution during the academic year 1999-2000. As a recruitment tool the MGIB is no longer as strong an incentive as it used to be. Total Department of Defense (DoD) recruiting requirements declined by 33 percent between 1989 and 1999, but the various services were unable to meet even those reduced goals. Furthermore, the DoD 1995 Youth Attitude Tracking Survey found that most college bound teenagers consider military service as a detour from their college plans rather than as a means to achieve those plans. Many military leaders believe that in order to recruit the people we need to sustain a military capable of meeting the national security challenges of a modern world, we need to improve programs, such as the MGIB, that will draw high caliber individuals who see the military not as just a choice when there are no others, but as a stop in a career progression.

This legislation was introduced as a step in a series of efforts designed to try and make the military more competitive in drawing skilled recruits, and to justly reward those who have served our nation. This bill comes after a large pay increase given to the DoD last year, and amidst attempts to reform veterans' health care so as to give long term care to those who have sacrificed for our country.

Provisions:

(1) The bill increases the basic educational assistance rate for service on active duty under the MGIB for people having served at least three year from $536 to $600 a month on October 1, 2000. For those whose initial commitment was two year the amount increases from $436 to $487 a month, effective October 1, 2000. On October 1, 2002 the amount for full time veteran students increases to $720 a month, while two-year enlistees will receive $585. Proportionate increases are also made for part time students.

(2) Those who are on active duty and declined an opportunity to switch to the MGIB previously, or have a zero balance on their Vietnam Education Assistance program (VEAP) will have 12 months to convert to the MGIB for a fee of $2,700, payable over 18 months. The VEAP was a program for those who entered service between 1977 and 1985, and was the first contributory educational program in the military. Congress allowed for this switch once before, in 1996.

(3) H.R. 4286 increases rates of the Survivors' and Dependants' Educational Assistance program. Full time students will see their benefits rise from $485 to $600 a month on October 1, 2000 and to $720 a month on October 1, 2002. Proportionate increases will be made for part time students. This program benefits the spouse and children of an individual who dies either on active service, or due to a service connected cause.

(4) Dates are also adjusted for the payment of educational assistance and for survivors' and dependents' assistance (DEA). The DEA payments will be made retroactive to the date of entitlement, which is the date of service-connected death. This addresses a problem where a significant delay can be made in establishing entitlement to DEA benefits. The bill also allows for the continued payment of monthly educational benefits for the period between terms, as long as that term does not exceed eight weeks.

(5) Under the measure MGIB benefits can be used to cover the costs of licensing or certification for

certain vocations or professions.

(6) A number of temporary authorities are also extended under the bill from September 30, 2002 to December 31, 2008. These are: a) the VA enhanced loan asset authority; b) the VA home loan fees program, which specifies that borrowers who obtain a VA-guaranteed, insured or direct home loans will pay a fee; c) procedures applicable to liquidation sales of faulted home loans guaranteed by the VA, which gives the Veterans Secretary the ability to choose the best means for the VA to deal with a defaulted home loan it guaranteed; d) income verification authority; e) limitation on VA pension for certain recipients of Medicaid covered nursing homes.

(7) The bill codifies VA budget authority for a number of annual reports that the Administration receives and reinstates some reports that were eliminated under the Federal Reports Elimination and Sunset Act of 1995.

Costs/Committee Action:

The CBO estimates that cost is about 1.3 billion over five years and is budget neutral over this period due to the use of pay-go extenders.

The Committee reported the bill by a vote of 21-0.

Greg Mesack, 226-2305

Supporting the Day of Honor 2000 to Honor the Service of Minority Veterans in the United States Armed Services During World War II

H.J.Res. 98

Committee on Veterans' Affairs
No House Report Filed
Introduced by Ms. Jackson-Lee on April 12, 2000

Floor Situation:

The House is scheduled to consider H.J.Res. 98 under suspension of the rules on Tuesday, May 23, 2000. It is debatable for 40 minutes, may not amended, and requires two-thirds majority vote for passage.

Summary:

The joint resolution (1) commends and honors African American, Hispanic American, Asian American, Native American, Native Hawaiian and Pacific Islander, Native Alaskan, and other minority veterans of the United States Armed Forces who served during World War II; (2) supports the goals and ideas of the Day of Honor 2000 in celebration and recognition of the extraordinary service of minority veterans; and (3) authorizes and requests that the President issue a proclamation calling upon the people of the United States to these honor minority veterans with appropriate programs and activities.

Background:

The Day of Honor 2000 Project, a non-profit organization based in Massachusetts, has helped enlist the support of honoring minority veterans. The Project calls upon communities across the nation to participate in celebrations to honor and remember these veterans on May 25, 2000.

World War II was one of the most influential events in the 20th century. The United States entered the war to preserve democracy and to aid those who were being tormented by Nazism and fascism. In the 1940's, minorities were utilized in allied operations. During the war, 1.2 million African Americans served. Moreover, 300,000 Hispanic Americans, 50,000 Asian Americans, 20,000 Native Americans, 6,000 native Hawaiians and Pacific Islanders, and more than 3,000 Native Alaskan Americans served in the Armed Forces.

Regardless of the discrimination that most minority veterans were subjected to at home, they fought honorably along with other Americans and allies. The unfair treatment of minorities is an unforgettable part of United States history. The enactment of fundamental civil rights later in the 20th century has remedied many of the injustices faced by minorities. The minority veterans from World War II represent a significant part of American History.

Sam Shaw, 226-2302

Designating the Harry S. Truman Federal Building

H.R. 3639

Committee on Transportation and Infrastructure
No House Report Filed
Introduced by Mr. Skelton on February 10, 2000

Floor Situation:

The House is scheduled to consider H.R. 3639 under suspension of the rules on Tuesday, May 23, 2000. It is debatable for 40 minutes, may not be amended, and requires two-thirds majority vote for passage.

Summary:

The bill designates the Federal building located at 2201 C Street, Northwest, in Washington D.C., as the Harry S. Truman Federal Building. Currently, this Federal building is headquarters for the Department of State.

Background:

Harry Truman was the 33rd President of the United States. He was born in Lamar, Missouri in 1884 and grew up in Independence, Missouri. In 1922, he was elected Judge in Jackson County. He then pursued a seat in the United States Senate and was elected as Senator of Missouri in 1934. During World War II, he headed the Senate War Investigating Committee. In 1944, Truman was President Roosevelt's running mate. On April 12, 1945, following the death of President Roosevelt, Harry Truman became the President of the United States. Truman made historic decisions regarding World War II, which led to the eventual surrender of the Japanese on September 2, 1945. Later on that year, Truman attended the signing of the charter that established the United Nations. Domestically, he presented the 21-point plan known as the Fair Deal. In 1947, President Truman presented the Truman Plan to Congress in an effort to rebuild Europe. Additionally, he helped negotiate NATO, presided over the Berlin airlift, and in 1950, fought Communism in Korea. President Truman died in Independence, Missouri in 1972 at the age of 88.

Committee Action:

The bill has not been considered by a House Committee.

Sam Shaw, 226-2302

Urging Compliance with the Hague Convention on the Civil Aspects of International Child Abduction
H.Con.Res. 293

Committee on International Relations
No Report Filed
Introduced by Mr. Chabot on March 23, 2000

Floor Situation:

The House will consider H.Con.Res. 293 under suspension of the rules on Tuesday, May 23, 2000. It is debatable for 40 minutes, may not be amended, and requires two-thirds majority vote for passage.

Summary:

The resolution urges European countries to (1) comply fully with both the letter and spirit of their international legal obligations under the Hague Convention, particularly those European civil law countries that consistently violate the Hague Convention such as Austria, Germany and Sweden; (2) ensure their compliance with the Hague Convention by enacting effective legislation and educating their judicial and law enforcement authorities; and (3) honor their commitments and return abducted or wrongfully retained children to their place of habitual residence without reaching the merits of any underlying custody dispute and ensure parental access rights by removing obstacles to the exercise of such rights. Furthermore, the resolution authorizes the Secretary of State to disseminate to all Federal and State courts an annual report to Congress on Hague Convention compliance and related matters. Lastly, the resolution urges contracting parties to the Hague Convention to further educate its central authority and local law enforcement authorities regarding the severity of the problem of international child abduction, and the need for immediate action when a parent of an abducted child seeks their assistance.

Background:

International child abductions have been a growing problem in North America and the European region. In 1993, the situation had escalated to a point where Congress estimated that a reported 10,000 American children had been abducted or wrongfully retained. The Department of State reported that at any given time, there are 1,000 open cases on children who are abducted from the United States.

More recently, Congress has recognized the gravity of international child abduction in enacting the International Parental Kidnapping Crime Act of 1993 (18 U.S.C. 1204), the Parental Kidnapping Prevention Act (28 U.S.C. 1738a), and substantial reform and reporting requirements for the Department of State in the fiscal years 1998-1999 and 2000-2001 Foreign Relations Authorization Acts.

In 1988, the United States became a contracting state to the Hague Convention. The Hague Convention establishes reciprocal rights and duties between and among its contracting states to expedite the return of children to the state of their habitual residence. Moreover, the Convention also ensures that rights of custody and of access under the laws of one contracting state are effectively respected in other contracting states, without consideration of the merits of any underlying child custody dispute.

Article 13 of the Hague Convention provides a narrow exception to the requirement for prompt return of children. The exception releases the requested state from its obligation to return a child to the country of the child's habitual residence if it is established that there is a 'grave risk' that the return would expose the child to physical or psychological harm or if the child objects to being returned and has attained an age and degree of maturity at which it is appropriate to take into account the child's views. Countries such as Germany have invoked the use of Article 13 as a justification for non-return, which has caused some tension between Germany and other contracted states. The sense of Congress is that the constant use of Article 13 by countries such as Germany, Austria, Honduras, Mexico and Sweden have hindered the effectiveness of the provisions formulated under the Hague Convention.

Committee Action:

The bill has not been considered by a House Committee.

Sam Shaw, 226-2302

Immigration and Naturalization Service Data Management Improvement Act of 2000
H.R. 4489

Committee on the Judiciary
H. Rept. __
Introduced by Mr. Smith *et al.* on May 18, 2000

Floor Situation:

The House will consider H.R. 4489 under suspension of the rules on Tuesday, May 23, 2000. The bill is debatable for 40 minutes, may not be amended, and requires a two-thirds majority vote for passage.

Summary:

H.R. 4489 requires the U.S. Attorney General to implement an integrated entry and exit data system created in 1996 by P.L. 104-208 for the arrival and departure of aliens coming into and leaving the United States. The bill also establishes a task force to be chaired by the Attorney General to evaluate how best to implement the new data entry/departure system, to improve traffic flow at airports, seaports and land border points of entry, and the cost of each of these recommendations. The task force is to submit a report to Congress with its findings, conclusions and recommendations. The Attorney General is also required to make legislative recommendations to implement the task force's recommendations and to obtain funding authorization.

Background:

Recent advancements in technology provide an excellent opportunity for the Immigration and Naturalization Service (INS) within the U.S. Department of Justice to apply these technologies to collecting and maintaining information about who is entering and exiting the U.S. and who is overstaying their visas. Updated information widely available to INS and other law enforcement personnel at points of entry such as airports, seaports and land border points of entry will enhance the capability of the INS to interdict criminals and to identify persons within the United States who are here beyond the time periods designated in their entry visas.

The implementation of an integrated entry and exit data system will improve operation of the entry and exit procedures at various entry/exit points. H.R. 4489 requires the Attorney General to design a new electronic system without creating any new documentary requirements and, through the use of a separate task force, develop ways to most effectively and efficiently implement the new system.

Committee Action/CBO Estimate:

The bill was not considered by a committee. A CBO cost estimate was unavailable at press time.

Eric Hultman, 226-2304

The Private Mortgage Insurance Technical Correction and Clarification Act

H.R. 3637

Committee on Banking and Financial Services
H.Rept. 106-___
Introduced by Mrs. Roukema *et al*. on February 10, 2000

Floor Situation:

The House is scheduled to consider H.R. 3637 under suspension of the rules on Tuesday, May 23, 2000. It is debatable for 40 minutes, may not be amended, and requires a two-thirds majority vote for passage.

Summary:

H.R. 3637 amends the Homeowners Protection Act of 1998, (1) by changing the definition of "cancellation date" for "amortization schedules" with, and defines, "amortization schedule then in effect" for purposes of adjustable rate mortgages; (2) includes balloon mortgages within the definition of "adjustable rate" mortgages; (3) states that if a residential mortgage loan is modified (with mortgagor-mortgagee agreement) the cancellation date, termination date, or final agreement will be recalculated to reflect such modifications; (4) extends mortgage insurance cancellation rights beyond the cancellation date for qualifying borrower who is current on required payments; (5) revises the automatic termination date with respect to a mortgagor who is not current on payments as of the mortgage termination date; (6) states that the cancellation or termination of private mortgage insurance will not affect the rights of any mortgagee, servicer, or insurer to enforce any accrued obligation for premium payments; and (7) revises specified definitions.

Background:

The Homeowners Protection Act was signed into law by President Clinton on July 29, 1998 (*P.L. 105-216*). The law: (1) prescribes guidelines for mandatory termination of private mortgage insurance (PMI) for a residential mortgage when the principal balance is first scheduled to reach or actually reaches 80 percent of the original value of the property securing the mortgage loan including a mortgagor's written cancellation request, automatic termination, final termination, no further payments, return of unearned premiums, and cites exemptions for high-risk loans; (2) requires the Controller General to detail for the Congress the volume and characteristics of residential mortgages and transactions that are exempt from the borrower cancellation and automatic termination requirements; (3) prescribes disclosure requirements for PMI amortization schedules and prohibits fees for such disclosures; (4) subjects any servicer, mortgagee, or mortgage insurer in violation of this Act to civil liability for damages incurred; (5) preempts state law governing PMI and service agreements entered into by Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, or any private investor or note holder; (6) declares that a protected state law will not be construed as inconsistent with this act; (7) prescribes enforcement guidelines fore federal banking agencies; (8) amends the Higher Education Act of 1965, with respect to student assistance programs; and (9) abolishes the Thrift Depositor Protection Oversight Board and transfers its authority to the Secretary of the Treasury.

Committee Action:

H.R. 3637 was not considered by Committee.

An official CBO cost estimate was unavailable at press time.

Eileen Harley, 226-2302

Cardiac Arrest Survival Act

H.R. 2498

Committee on Commerce

H.Rept. 106-___

Introduced by Mr. Sterns on July 13, 1999

Floor Situation:

The House is scheduled to consider H.R. 2498 under suspension of the rules on Tuesday, May 23, 2000. It is debatable for 40 minutes, may not be amended, and requires a two-thirds majority vote for passage.

Summary:

H.R. 2498 amends the Public Health Service Act to direct the Secretary of Health and Human Services to: (1) assist in providing for an improvement in the survival rates of individuals who experience cardiac arrest in Federal buildings by publishing in the Federal Register for public comment recommendations with respect to placing automatic external defibrillators in such buildings; and (2) assist Federal agencies in implementing programs for such placement.

The measure also requires the Secretary to determine criteria for: (1) the selection of the Federal public buildings in which defibrillators should be placed; (2) defibrillator maintenance; and (3) the coordination of the use of the defibrillators in public buildings with emergency medical services providers for the geographic areas in which the buildings are located. Finally, the measure provides that any person who provides emergency medical care through the use of a defibrillator, any person who maintained, tested, or provided training in the use of the device, any physician who provided medical oversight of the device, and the person who acquired the device (if specified conditions have been met) is immune from civil liability for any personal injury or wrongful death resulting from the provision of such care, unless the person engaged in gross negligence or willful or wanton misconduct under the applicable circumstances.

Background:

Sudden cardiac arrest is one of the leading causes of death in the United States, killing more than 250,000 Americans every year. Unlike a heart attack, which is the death of a muscle tissue from loss of blood supply, many victims of sudden cardiac arrest have no prior symptoms. Unfortunately, two out of every three sudden cardiac deaths occur before a victim can reach a hospital, and more than 95 percent of these cardiac arrest victims will die because of lack of readily available life saving medical equipment. Once a victim has suffered a cardiac arrest, every minute that passes before returning the heart to a normal rhythm decreases the chance of survival by 10 percent. Most cardiac arrests are caused by abnormal heart rhythms called ventricular fibrillation. Ventricular fibrillation occurs when the heart's electrical system malfunctions, causing a chaotic rhythm that prevents the heart from pumping oxygen to the victim's brain and body.

Automated external defibrillators are medical devices that can restart a heart that has stopped beating effectively. AEDs are subject to FDA approval, and can only be sold with a prescription by a licensed individual. AED devices have been shown to be safe and effective, even when used by lay people, since the devices are designed so as not to allow a user to administer a shock until after the device has analyzed a victim's heart rhythm and determined that an electric shock is required. AED training courses are provided by the American Red Cross, the American Heart Association, local emergency medical services groups, and other public health and safety institutions.

In 1997, Congress enacted the Volunteers Protection Act (*P.L. 105-19*) to grant immunity from liability for Americans who volunteered their services for a nonprofit organization or a governmental entity. The Cardiac Arrest Survival Act will extend similar liability protections to people who voluntarily acquire or use AEDs to help save victims of sudden cardiac arrest. This immunity from unfair lawsuits will help protect "Good Samaritans" who use AEDs to help save the lives of our fellow Americans, as well as businesses and land owners who acquire the devices to make their buildings or offices safer for the public.

Costs/Committee Action:

A CBO cost estimate was unavailable at press time.

The Commerce Committee reported the bill by voice vote on May 17, 2000.

Brendan Shields, 226-0378

FY 2001 Agriculture Appropriations Act
H.R. 4461

Committee on Appropriations
H.Rept. 106-619
Submitted by Mr. Skeen on May 16, 2000

Floor Situation:

The House is scheduled to consider H.R. 4461 during the week of May 22, 2000. Appropriations bills are privileged and may be considered any time three days after they are filed. The Rules Committee will meet on the bill prior to Friday. Additional information on the rule and potential amendments will be provided in a FloorPrep prior to floor consideration.

Highlights:

H.R. 4461 appropriates $75.3 billion in new FY 2001 budget authority for agriculture programs, $524 million less than last year and $1.8 billion less than the president's request. The bulk of the mandatory spending goes toward (1) food stamps ($21.2 billion), (2) the Food and Drug Administration ($1.2 billion), (3) child nutrition programs ($9.5 billion), (4) the Federal Crop Insurance Corporation ($1.7 billion), and (5) the supplemental nutrition program for Women, Infants, and Children (WIC, $4 billion).

In addition, the bill increases funding for Farm Service Agency salaries and expenses by $34 million, for agriculture credit programs by $1.4 billion, Rural Housing loan authorizations by $484 million, and there is a new $35 million increase through a Special Supplemental Nutrition Program for the Women, Infants and Children (WIC) program.

Background:

The U.S. Department of Agriculture (USDA) carries out a wide variety of responsibilities through approximately 30 separate internal agencies staffed by some 100,000 employees. Agriculture appropriations fund agricultural research, marketing and export efforts, commodity price and income supports, production adjustment programs, crop and disaster insurance, subsidized farm loans, conservation activities, health and safety-related research and inspections, rural development programs, international food aid, domestic food programs (e.g., food stamps and school lunches), and the administrative expenses of operating the USDA. The funds appropriated to USDA represent about five percent of total federal government spending.

The 1996 Federal Agricultural Improvement and Reform (FAIR) Act (*P.L. 104-127*), reauthorized and restructured existing farm programs over seven years to provide seven-year production and market-transition contracts to farmers in place of previously-offered crop subsidies. Additionally, FAIR reduced direct federal government management of farmland in exchange for allowing farm owners greater flexibility to enroll their land in conservation programs.

Provisions:

FY 2001 Agriculture Appropriations

Bill Title	FY 2000 Level	President's Request	**FY 2001 Proposal**	% Change from Last Year	% Change from Request
	(in millions)		(in millions)		
Title I--Agriculture Programs	$35,436.3	$34,740.3	$34,484.0	-2.7%	-0.7%
Title II--Conservation Programs	$804.2	$878.0	$812.8	+1.1%	-7.4%
Title III--Rural Economic and Community Development Prog.	$2,187.5	$2,587.6	$2,350.7	+7.5%	-9.2%
Title IV--Domestic Food Prog.	$35,044.1	$36,264.7	$35,230.4	+0.5%	-2.9%
Title V--Foreign Asst. Prog.	$1,055.7	$1,090.8	$1,049.4	-0.6%	-3.8%
Title VI--Related Agencies	$1,112.0	$1,283.3	$1,171.3	+5.3%	-8.7%
Title VII--General Provisions	$2.3	$0.0	$4.0	+77.8%	—-
Title VII--Emergency Appropriations	$8,670.5	$0.0	$0.0	—-	—-
Committee Totals	$84,312.5	$76,844.6	$75,102.5	-10.9%	-2.3%

Source: House Appropriations Committee

Title I — Agriculture Programs

H.R. 4461provides almost $34.4 billion for agricultural programs in FY 2001**,** $952 million less than FY 2000 and $256 million less than the president's request.

Office of the Secretary

The bill appropriates $2.8 million for the Agriculture Secretary, an increase of $1,000 above the FY 2000 level and $78,000 less than the president's request.

Executive Operations and Various Other Administrative Expenses

The bill appropriates $124 million for various offices and administrative functions within USDA, including:

* $6.4 million for the **Office of the Chief Economist**, which is equal to the FY 2000 level and $2.2 million less than the president's request. The Chief Economist advises the Agriculture Secretary on the economic implications of USDA policies and programs and serves as the focal point for the nation's economic intelligence and analysis, risk assessment, and cost-benefit analysis related to domestic and international food and agriculture;

* $11.7 million for the **National Appeals Division**, which is $11,000 above the FY 2000 level and $892,000 less than the president's request. The division conducts administrative hearings and reviews adverse program decisions;

Title I — Agricultural Programs

Appropriations Account	FY 2000 Level (in millions)	President's Request (in millions)	**FY 2001 Proposal** (in millions)	% Change from Last Year	% Change from Request
Office of the Secretary	$15.4	$2.9	$2.8	-81.6%	-2.7%
Executive Operations	$35.5	$124.1	$64.5	+81.7%	-48.0%
Outreach for Socially Disadvantaged Formers	$3.0	$10.0	$3.0	0.0%	-70.0%
Departmental Administration	$34.7	$40.7	$34.7	0.0%	-14.8%
Office of Communications	$8.1	$9.0	$8.1	0.0%	-9.9%
Office of Insector General	$65.1	$70.2	$65.1	0.0%	-7.3%
Office of General Counsel	$29.2	$32.9	$29.2	0.0%	-11.2%
Office of the Assist. Sec. for Cong. Relations	$3.6	$3.8	$3.7	+2.8%	-2.9%
Miscellaneous Offices	$52.5	$39.3	$39.3	-25.1%	0.0%
USDA Buildings & Facilities	$140.3	$182.7	$150.3	+7.1%	-17.7%
Haz. Waste Management	$15.7	$30.1	$15.7	0.0%	-47.8%
Economic Research Service	$65.4	$55.4	$66.4	+1.6%	+19.8%
Nat'l Agric. Statistics Service	$99.3	$100.6	$100.9	+1.5%	+0.2%
Agricultural Research Service	$830.4	$894.3	$850.4	+2.4%	-4.9%
CSREES	$945.6	$965.3	$945.8	+0.0%	-2.0%
Office of Undersec. For Marketing and Reg.	$0.6	$0.6	$0.6	0.0%	-2.7%
Agricultural Marketing Service	$65.1	$81.5	$71.3	+9.4%	-12.6%
Animal & Plant Health Inspection Service	$443.0	$517.6	$475.2	+7.3%	-8.2%
Grain Inspection Admin.	$26.4	$33.5	$27.8	+5.2%	-17.1%
Office of Undersec. for Food Safety	$0.4	$0.6	$0.4		
Food Safety & Inspection Svc.	$649.1	$688.2	$673.8	+3.8%	-2.1%
Risk Management Agency	$64.0	$67.7	$67.7	+5.8%	0.0%
Farm Service Agency	$1,094.0	$1,287.8	$1,286.8	+17.6%	-0.1%
Office of Undersec. for Farm and Foreign Ag. Services	$0.6	$0.6	$0.6	0.0%	0.0%
Support Services Bureau	$0.0	$0.0	$0.0	—-	0.0%
Agriculture Credit Insurance	$296.2	$455.0	$455.0	+53.6%	0.0%
Federal Crop Insurance Corp.	$710.9	$1,727.7	$1,727.7	+143.0%	0.0%
Commodity Credit Corp.	$30,037.1	$27,771.0	$27,771.0	-7.5%	0.0%
Total, Title I Programs	$35,436.3	$34,740.3	$34,484.0	-2.7%	-0.7%

Source: House Appropriations Committee

* $6.6 million for the **Office of Budget and Program Analysis**, wich is equal to the FY 2000 level and $184,000 less than the president's request. The Office of Budget and Program Analysis directs the USDA's budgetary functions, analyzes program and resource issues, and coordinates preparing and processing regulations and legislative programs;

* $10 million, $4 million more than the FY 2000 level and $4.6 million less than the president's request, for the **Office of Chief Information Officer** to provide policy guidance, leadership, expertise, and direction in the department's information management and technology activities;

* $4.7 million, equal to the FY 2000 level and $1.7 million less than the president's request, for the **Chief Financial Officer** to provide leadership and expertise in developing department and agency programs in financial management, accounting, travel, and performance;

* $25 million for a **common computing environment**, $12 million more than FY 2000 and $50 million below the president's request;

* $34.7 million for **departmental administration**, the same amount as FY 2000 and $6 million below the president's request, to provide staff support to top policy officials and overall direction and coordination of the department. Such activities include department-wide programs for human resource management and emergency preparedness;

* $150 million for **agriculture buildings, facilities, and rental payments**, $10 million more than FY 2000 and $32.4 million below the president's request;

* $29 million for the **Office of the General Counsel**, equal to the FY 2000 level and $3.6 million less than the president's request, for all legal work arising from USDA's activities;

* $65 million for the **Office of the Inspector General**, equal to last year's level and $5.1 million less than the president's request, to direct audit and investigative activities within the USDA;

* $540,000 for the **Office of the Under Secretary for Research, Education, and Economics**, the same as FY 2000 and $816,000 less than the president's request;

* $15.7 million, equal to FY 2000 and $14 million below the president's request, for **hazardous waste management** on waste storage sites within USDA jurisdiction.

The bill also provides funds at approximately the same level as last year for several administrative programs, including: (1) $613,000 for the Assistant Secretary for Administration; (2) $560,000 for the Under Secretary for Food Safety; (3) $8.1 million for the Office of Communications; (4) $3.6 million for the Office of the Assistant Secretary for Congressional Relations to maintain liaison with Congress and the White House; (5) $635,000 for the Under Secretary for Marketing and Regulatory Programs; (6) $3 million for outreach for socially disadvantaged farmers; and (7**)** $589,000 for the Under Secretary for Farm an Foreign Agricultural Services.

Economic Research Service (ERS)

The bill appropriates $66.4 million for ERS, $1 million more than FY 2000 and $10.9 million more than the president's request. This includes money to research the effectiveness of the food stamp and WIC programs. ERS also provides economic and social science data and analysis for public and private decisions on agriculture, food, natural resources, and rural America.

National Agricultural Statistics Service (NASS)

The bill provides $100.8 million for NASS, $1.5 million more than FY 2000 and $236,000 above the president's request. NASS collects and publishes current agricultural statistics to help in making effective policy, production, and marketing decisions. Included in this amount is $15 million for the Census of Agriculture, which collects and provides comprehensive data every five years on all aspects of the agricultural economy.

Agricultural Research Service (ARS)

The bill provides almost $850.4 million for ARS, $20 million more than FY 2000 and $43.8 million less than the president's request. Created in 1953, ARS researches livestock, plant science, entomology, soil and water conservation, agricultural engineering utilization and development, and nutrition and consumer use. This account funds individual research projects, building maintenance costs for national research laboratories, and the salaries of ARS researchers. The bill also provides $39.3 million for ARS buildings and facilities.

Cooperative State Research, Education, and Extension Service (CSREES)

The bill provides $945.8 million for CSREES, $236,000 more than FY 2000 and $19,463 less than the president's request. CSREES was created in 1994 by merging the Cooperative State Research Service and the Extension Service. It works with university partners to advance research, extension, and higher education in the food and agricultural sciences and related environmental and human sciences to benefit individuals, communities, and the nation. Programs within the service are detailed below.

Research and Education. The bill appropriates $477.5 million for CSREES research and education activities, $16.6 million more than FY 2000 and $4.3 million more than the president's request, to administer agriculture research and higher education carried out by the State Agriculture Experiment Stations.

Native American Institutions Endowment Fund. The bill provides $7.1 million, 2.5 million more than the FY 2000 level and equal to the president's request, for the new Native American Institutions Endowment Fund, which supports student recruitment and retention, curriculum development, faculty preparation, and the purchase of scientific equipment at 29 tribally-owned land grant institutions. Each year, 60 percent of the interest from this endowment will be distributed among the land grant institutions on a pro rata basis (based on the Native American student count), and the remaining 40 percent will be distributed in equal shares to the institutions.

Extension Activities. The bill appropriates $428.7 million for extension activities, $4.5 million more than FY 2000 and $504,000 more than the president's request. Extension activities provide instruction and demonstrations in agricultural and home economics and related subjects. The service also provides nutrition training to low-income families, 4-H Club work, and educational assistance such as community resource development.

Animal and Plant Health Inspection Service (APHIS)

The bill appropriates $475.2 million for APHIS, $32.2 million more than FY 2000 and $42.4 million less than the president's request. APHIS protects the nation's animal and plant resources from pests and disease by conducting inspections and quarantines at U.S. ports of entry, providing scientific and technical services, and overseeing animal damage control programs.

Agricultural Marketing Service (AMS)

The bill provides $71.2 million for AMS, $6.1 million more than FY 2000 and $10.2 million less than the president's request. Created in 1972, the AMS provides market news reports, develops quality grade standards, administers USDA's laboratory accreditation program, and advances orderly and efficient marketing, distribution, and transportation of products from the nation's farms. In addition, the bill prohibits the USDA from disallowing participation by farmer-owned cooperatives in the commodity purchase program.

Grain Inspection, Packers and Stockyards Administration (GIPSA)

The bill appropriates $27.8 million for GIPSA, $1.3 million less than the FY 2000 level and $5.7 million under the president's request. GIPSA was created by the merger of the Federal Grain Inspection Service and the Packers and Stockyard Administration in 1994. It inspects, grades, and weighs various kinds of grain; grades dry beans, peas, and processed grain products; and monitors competition in order to protect producers, consumers, and industry from deceptive and fraudulent practices which affect meat and poultry prices.

Food Safety and Inspection Service (FSIS)

The bill provides $673.7 million for FSIS, $24.6 million more than FY 2000 and $14.4 million below the president's request. Created in 1981, FSIS assures that meat, poultry, and egg products (domestic and foreign) meet federal quality, labeling, and packaging standards.

Farm Service Agency (FSA)

The bill appropriates $1.2 billion for the Farm Service Agency, $192 million more than FY 2000 and $1 million under the president's request.

Created in 1994 by the Department of Agriculture Reorganization Act (DAGRA) as the Consolidated Farm Service Agency, the name was shortened in 1995. FSA administers the commodity price support and production adjustment programs financed by the Commodity Credit Corporation, the warehouse examination function, several conservation programs (see Title II) formerly performed by the Agricultural Stabilization and Conservation Service, and farm and disaster assistance loans from the former Farmers Home Administration.

The agency also conducts the Dairy Indemnity Program, which receives $450,000 for FY 2001. The Dairy Indemnity Program compensates dairy farmers and manufacturers who suffer losses from the removal of their milk from commercial markets due to product contamination by registered pesticides.

Agricultural Credit Insurance Fund (ACIF)

The bill provides $455 million—$158 million more than FY 2000 and equal to the president's request—to support $4.5 billion in loans to farmers and ranchers. This appropriation includes $18 million in farm ownership loans, $129 million in farm operating loans, and $269 million for salaries and administrative expenses. ACIF loans help producers (1) acquire, enlarge, and improve property; (2) purchase livestock, feed, equipment, seed, fertilizer, and other supplies, (3) refinance their debts, (4) take steps to conserve soil and water, and (5) recover from natural disasters. ACIF also makes loans to Indian tribes to help them acquire lands within their reservation.

Risk Management Agency (RMA)

The measure provides $67.7 million, $3.7 million more than FY 2000 and the same as the president's request, for the RMA. RMA manages program activities in support of the federal crop insurance program to provide actuarially sound crop insurance policies.

Federal Crop Insurance Corporation Fund

The bill provides $1.7 billion for the Federal Crop Insurance Corporation Fund, $1 billion more than FY 2000 and equal to the president's request. Through programs administered by the 1994 Department of Agriculture Reorganization Act (DAGRA), insurable crop producers are eligible to receive a basic level of protection against catastrophic losses, which covers 50 percent of the normal yield at 55 percent of the expected price. Producers pay $60 per policy, $200 for all crops grown in a county, with a cap of $600 per producer. Any producer who opts for catastrophic coverage may purchase additional insurance coverage at a subsidized rate. The federal crop insurance program is administered by the Risk Management Agency.

Most policies are sold and completely serviced through approved private insurance companies that are reinsured by USDA. The USDA absorbs a large percentage of the program losses, compensates the reinsured companies for a portion of their delivery expenses, and also subsidizes the premium paid by participating producers. Program losses and the premium subsidy are mandatory expenditures which are funded through the Federal Crop Insurance Fund. Because crop losses caused by natural disasters are impossible to predict, outlays of the fund are difficult to budget. Hence, the bill provides "such sums as are necessary" in the annual appropriations bill.

Commodity Credit Corporation (CCC)

The bill provides $27 billion for the CCC, $2.2 billion less than FY 2000 and equal to the president's request, to reimburse the CCC for net realized losses.

Created in 1933, the CCC is a government-owned entity for financing production adjustment programs, as well as price supports, for numerous commodities such as grains, cotton, milk, sugar, peanuts, wool, and tobacco. Its aim is to stabilize, support, and protect farm income and prices; assist in maintaining balance and adequate supply of such commodities; and facilitate their orderly distribution. The CCC serves as a funding mechanism for several USDA export subsidy programs, including the export enhancement program, export credit guarantees, and the market assistance program, and for an array of conservation programs, including the conservation reserve program, the wetlands reserve program, and the environmental qualities incentive program.

The CCC is managed by a board of directors appointed by the president and confirmed by the Senate, subject to general supervision and direction by the Agriculture Secretary. Because most of the CCC's activities are mandatory spending programs, they do not require annual appropriations. The corporation borrows money from the Treasury to fund its operations. However, because total CCC outstanding borrowing cannot exceed $30 billion, the annual appropriations bill usually contains funding to reimburse net realized losses (i.e., outlays) so the CCC does not exhaust its borrowing authority.

Title II — Conservation Programs

Title II — Conservation Programs

Appropriation Account	FY 2000 Level	President's Request	**FY 2001 Proposal**	% Change from Last Year	% Change from Request
	(in millions)		(in millions)		
Office of the Undersecertary	$0.7	$0.7	$0.7	0.0%	-2.5%
Natural Resources Cons. Ser	$803.5	$877.3	$812.1	+1.1%	-7.4%
TOTALS	$804.1	$878.0	$812.8	+1.1%	-7.4%

Source: House Appropriations Committee

Office of the Under Secretary for Natural Resources and Environment

The bill provides $693,000, equal to the FY 2000 level and $18,000 less than the president's request, to the Office of the Under Secretary for Natural Resources and Environment to provide direction and coordination in carrying out laws concerning natural resources and the environment.

Natural Resources Conservation Service (NRCS)

The bill provides $812 million, $8.6 million more than FY 2000 and $65.1 million less than the president's request, for the NRCS. Created by the 1994 Department of Agriculture Reorganization Act (DAGRA), NRCS combines the former Soil Conservation Service and three natural resource conservation cost-share programs previously run by the Agricultural Stabilization and Conservation Service. It works together with conservation districts, watershed groups, and federal and state agencies to aid agricultural production on a sustained basis and reduce damage caused by floods, sedimentation, and pollution. Activities include the following programs:

Conservation Operations. The bill provides $676.8 million to sustain agricultural productivity and protect and enhance the natural resource base, $16 million more than FY 2000 and $70 million less than the president's request.

Watershed Surveys and Planning. The bill provides $10.8 million—$500, 000 more than FY 2000 and the president's request—to fund investigations and surveys of watersheds and other waterways.

Watershed and Flood Prevention Operations. The bill provides $83.4 million—$8.2 million less than the FY 2000 level and equal to the president's request—to facilitate cooperation between the federal government and states to prevent erosion, flood-water, and sediment damage in watersheds, rivers, and streams and to further the conservation, development, utilization, and disposal of water.

Resource Conservation and Development. The bill provides $41 million—$5.7 million more than FY 2000 and $4.7 million over to the president's request—for conservation programs including Resource Conservation and Development Program, to assist local groups in conserving land and other resources.

Title III — Rural Economic and Community Development Programs

The 1994 Department of Agriculture Reorganization Act (DAGRA) abolished several programs and agencies funded under this title in FY 1995, including the Farmers Home Administration, the Rural Development Administration, and the Rural Electrification Administration, and replaced them with the Rural Housing Service, Rural Business-Cooperative Service, and Rural Utilities Service. The bill appropriates $2.4 billion, $220 million more than FY 2000 and $179 million less than the president's request, for these accounts:

Title III — Farm and Rural Development Programs

Appropriation Account	FY 2000 Level	President's Request	**FY 2001 Proposal**	% Change from Last Year	% Change from Request
	(in millions)		(in millions)		
Office of the Undersecretar	$0.6	$0.6	$0.6	0.0%	-2.8%
Rural Community Advance.	$693.6	$762.5	$775.8	+11.9%	+1.7%
Rural Housing Service	$1,332.0	$1,536.2	$1,383.4	+3.9%	-9.9%
Rural Bus. Coop. Service	$54.0	$56.9	$38.2	-29.2%	-32.8%
Rural Utilities Service	$107.3	$100.9	$89.4	-16.7%	—-
TOTALS	$2,187.5	$2,457.2	$2,287.5	+4.6%	-6.9%

Source: House Appropriations Committee

Under Secretary for Rural Economic and Community Development

The bill appropriates $588,000 for the under secretary, who provides direction and coordination in carrying out laws concerning the department's rural economic and community development activities. This amount is equal to the FY 2000 level and $17,000 less than the president's request.

Rural Community Advancement Program (RCAP)

The measure provides $775 million—$82 million more than FY 2000 and $13 million more than the president's request—for the RCAP, which consolidates funding for various waste and water disposal programs, distributes grants to rural businesses and enterprises. The program was authorized by the 1996 Federal Agriculture Improvement and Reform Act (FAIR). The bill allows state rural development directors to transfer up to 25 percent between projects, as long as such transfers do not result in more than 10 percent transferred nationally.

Rural Housing Service (RHS)

RHS was established in 1994. Its programs were previously administered by the Farmers Home Administration and the Rural Development Administration. The mission of the service is to improve the quality of life in rural America by assisting rural residents and communities in obtaining adequate and affordable housing and access to needed community facilities. Amounts appropriated for specific RHS programs are discussed below.

Rural Housing Insurance Fund Program Account. The bill appropriates $1.2 billion—the $88.9 million more than FY 2000 and $135 million less than the president's request—to support $5 billion in rural housing loans. This sum includes $254 million in direct loan subsidies, $7.4 million in guaranteed loan subsidies, and $375.8 million for administrative expenses. Created in 1965, RHFP makes (1) rural housing loans to farm owners, owners of other real estate in rural areas, and long-term farm leaseholders to build, improve, alter, repair, or replace houses, barns, silos, and other essential buildings; (2) rental housing loans (which must be repaid within 30 years) to individuals, corporations, and associations which provide moderate-cost rental housing to the elderly; and (3) farm labor housing loans to farm owners and private organizations to provide modest living quarters for domestic farm labor. The program is limited to rural areas with populations less than 20,000.

Rental Assistance Program. The bill provides $655.9 million—$15.9 million more than the FY 2000 level and $24.1 million less than the president's request—to help low-income families living in RHS-financed rental and farm labor housing projects pay their rent. Tenants must contribute the higher of (1) 30 percent of their monthly adjusted income, (2) 10 percent of monthly income, or (3) designated housing payments from a welfare agency. The program makes direct payments to the project owner to cover the difference between this contribution and the approved rental rate.

Mutual and Self-Help Housing Grants. The bill provides $28 million for mutual and self-help housing grants, the same as FY 2000 and $12 million less than the president's request, for grants to local organizations under which groups of usually six to ten families build their own homes by mutually exchanging labor.

Rural Housing Assistance Grants. The bill provides $39 million, $12 million less than last year and equal to the president's request, for rural housing grants for domestic farm labor, very low-income housing repair grants, rural housing preservation grants, compensation for construction defects, direct community facility loans, guaranteed community facility loans and community facility grants.

Rural Business-Cooperative Development Service (RB-CDS)

The bill provides $38.2 million in overall funding for RB-CDS—$15.7 million less than FY 2000 and $18 million less than the president's request—for FY 2001. RB-CDS was created in 1995. Its programs were previously administered through the Rural Development Administration and the Rural Electrification Administration. The service enhances the quality of life for all rural residents by assisting new and existing cooperatives and other businesses through partnership with rural communities.

Rural Development Loan Fund Program Account. The bill provides $22.8 million—$2.8 million more than FY 2000 and $13.6 million lower than the president's request. Loans go toward improving business, industry, community facilities, and employment opportunities and diversification of the economy in rural areas.

Rural Economic Development Loans Program Account. The bill provides $3.9 million in direct subsidy to this account— $458,000 more than FY 2000 and equal to the president's—which supports $15 million in zero-interest loans to electric and telecommunications borrowers to promote rural economic development and job creation projects, including funding for feasibility studies, start-up costs, and other reasonable expenses for the purpose of fostering such development.

Rural Cooperative Development Grants. The measure provides $6.5 million—$500,000 more than FY 2000 and $5 million less than the president's request—for grants to improve economic conditions in rural areas.

Rural Utilities Service (RUS)

The RUS was created in 1994 by DAGRA to administer electric and telecommunications programs of the former Rural Electrification Administration as well as water and waste disposal programs of the former Rural Development Administration. The service's objective is to improve the quality of life in rural America by administering its electric, telecommunications, and water and waste disposal programs in a service-oriented, forward looking, and financially responsible manner. The bill provides $89 million overall, which is $17.8 million less than FY 2000 and $11.5 million less than the president's request.

Rural Electrification and Telephone Loans Program Account. The bill provides $64.3 million—$18 million more than FY 2000 and $4 million under the president's request—to support $2 billion in loans to maintain and expand electricity and telephone service in rural areas.

Rural Telephone Bank Program Account (RTB). The bill provides $3 million for administrative expenses (equal to FY 2000 and the president's request) and $2.6 million in direct loan subsidies ($700,000 less than last year, and equal to the president's request) for the RTB. The bill provides for a $175 million loan level.

Distance Learning and Telemedicine Grants and Loans. The bill provides $19.5 million—$1.2 million less than FY 2000 and $7.5 million less than the president's request—for this program, which provides facilities and equipment to link rural education and medical facilities with urban facilities to provide better health care through technology.

Title IV — Domestic Food Programs

Under Secretary for Food, Nutrition, and Consumer Services

The bill appropriates $554,000, the same as FY 2000 and $16,000 less than the president's request, for this account within the Food Program Administration (FPA). The office provides direction and coordination in carrying out the laws regarding food and consumer activities, and has oversight and management responsibilities for the Food, Nutrition and Consumer Service.

Food and Nutrition Service (FNS)

The bill appropriates $35.2 billion, $186 million more than FY 2000 and $1 billion less than the president's request, for FNS in FY 2001. This includes $116 million—$5 million more than FY 2000 and $12.1 million less than the president's request—to pay the salaries and other administrative expenses involved in administering the domestic food programs run by the FNS, as well as supporting the Center for Nutrition Policy and Promotion. Originally established in 1969, the Food Nutrition Service was renamed in 1994 pursuant to DAGRA. FNS-administered programs are described below.

Title IV — Domestic Food Programs

Appropriation Account	FY 2000 Level	President's Request	**FY 2001 Proposal**	% Change from Last Year	% Change from Request
	(in millions)		(in millions)		
Office of the Under Sec.	$0.6	$0.6	$0.6	0.0%	-2.8%
Child Nutrition Programs	$9,554.0	$9,546.1	$9,535.0	-0.2%	-0.1%
Commodity Assistance	$133.3	$158.3	$138.3	+3.8%	-12.6%
Women, Infants, and Children Program (WIC)	$4,032.0	$4,148.1	$4,067.0	+0.9%	-2.0%
Food Stamp Program	$21,071.8	$22,132.0	$21,232.0	+0.8%	-4.1%
Food Donation Program	$141.1	$151.1	$141.1	0.0%	-6.6%
Food Program Admin.	$111.4	$128.6	$116.4	+4.5%	-9.5%
TOTALS	$35,044.1	$36,264.7	$35,230.4	+0.5%	-2.9%

Source: House Appropriations Committee

Child Nutrition Programs. The bill provides $9.5 billion for child nutrition programs, which is $18.9 million less than FY 2000 and $11 million less than the president's request. This account includes the school breakfast and lunch programs, the Child and Adult Care Food Programs, summer food services, nutrition education and training programs and the Special Milk Program. In addition, the special milk program provides funding for milk service in schools, nonprofit child care centers, and camps which have no other federally-assisted food programs. The primary purpose of these programs is to improve the health and well-being of the nation's children and broaden markets for agricultural food commodities. Working through state agencies (in all 50 states, Puerto Rico, the Virgin Islands, and Guam), FNS provides both cash and foodstuffs to ensure that children receive at least one hot, nutritious meal each day.

Food Stamp Program. The bill appropriates $21.2 billion for the Food Stamp program, $160 million more than FY 2000 and $900 million less than the president's request. Established in 1964, this program is aimed at making more effective use of the nation's food supply and improving nutritional standards of needy persons and families by issuing assistance coupons which may use to purchase food in retail stores. All administrative costs associated with certifying recipients, issuing coupons, ensuring quality control, and holding hearings are shared by the federal government and the states on a 50-50 basis. Although food stamps is a mandatory entitlement program, it is subject to annual appropriations. That appropriation also includes a nutritional assistance block grant to Puerto Rico, authorized under the Omnibus Budget Reconciliation Act of 1981 (OBRA; *P.L. 97-35*), which gives the commonwealth broad flexibility in establishing a food assistance program that is specifically tailored to the needs of its low-income households.

Supplemental Nutrition Program for Women, Infants, and Children (WIC). The bill provides $4 billion for the WIC program, $35 million more than FY 2000 but $81.1 million less than the president's request. WIC safeguards the health of pregnant, postpartum, and breast-feeding women, infants, and children up to age five who are at nutritional risk by providing food packages designed to supplement each participant's diet with food that are typically lacking. Delivery of supplemental foods may be done through health clinics, vouchers redeemable at retail food stores, or other approved methods which a cooperating state health agency may select. In 1989, Congress enacted cost-containment measures to ensure that eligible participants would have access to these necessary services. It also established the WIC farmers' market nutrition program (FMNP) to (1) improve WIC participants' diets by providing them with coupons to purchase fresh foods, such as fruits and vegetables, from farmers markets; and (2) increase the awareness and use of farmers' markets by low-income households. Funds for the WIC program are provided by direct annual appropriation.

Food Donations Programs. The bill provides $141.1 million, equal to FY 2000 and $10 million less than the president's request, for food distribution programs targeted at special at-risk populations, including the elderly, needy individuals in the Pacific Island Territories, and Indians living on or near reservations who choose not to receive food stamps. Funding for the operation of this program, also know as Meals on Wheels, is contained in the Labor, Health and Humans Services appropriations bill.

Commodity Assistance Program (CAP). The bill provides $138 million, $5 million more than FY 2000 and $20 million less than the president's request for CAP. This account funds the Supplemental Food Program (CSFP), which provides supplemental foods to infants and children up to age six, and to pregnant, post-partum, and breast-feeding women with low incomes who reside in approved areas and administrative expenses for the Emergency Food Assistance Program (TEFAP), which provides commodities and grant funds to state agencies to assist in the cost of storing and distributing donated commodities to needy individuals.

Title V — Foreign Assistance and Related Programs

The bill provides $1 billion for foreign assistance and related programs, $6.3 million less than FY 2000 and $41.4 million less than the president's request.

Title V — Foreign Assistance And Related Programs

Appropriation Account	FY 2000 Level	President's Request	**FY 2001 Proposal**	% Change from Last Year	% Change from Request
	(in millions)		(in millions)		
Foreign Agricultural Service	$113.5	$117.9	$113.5	0.0%	-3.7%
Public Law 480 Food for Peace	$942.7	$973.4	$936.4	-0.7%	-3.8%
CCC Export Loans Program Account	$3.8	$3.8	$3.8	0.0%	0.0%
TOTALS	$1,059.9	$1,095.0	$1,053.6	-0.6%	-3.8%

Source: House Appropriations Committee

Foreign Agricultural Service (FAS)

The bill appropriates $113 million for FAS, equal to FY 2000 and $4.4 million under the president's request. FAS helps U.S. agricultural interests maintain and expand foreign markets through special export programs and by securing international trade conditions that are favorable to American products. It maintains a worldwide intelligence and reporting service that provides important information on foreign agricultural policies and market conditions, and coordinates, plans, and directs the USDA's programs in international development and technical cooperation in food and agriculture.

Public Law 480 (Food for Peace) Programs

The measure appropriates $980 million—$4 million more than FY 2000 and $37 million less than the president's request—for the three main programs under *P.L. 480*, which serve as the primary means for the U.S. provision of food assistance overseas. The bill allots:

* $159 million in direct loans and $20 million for ocean freight differential costs for Title I, which provides food commercially under long-term, low-interest loan terms;

* $800 million for grants under Title II, which provides food aid for humanitarian relief through private voluntary organizations or through multilateral organizations like the World Food Program. This funding is equal to FY 2000 level and $37 million less than the president's request; and

Commodity Credit Corporation (CCC) Export Loans

The bill provides $3.8 million—equal to FY 2000 and the president's request—for the CCC to guarantee commercial loans to finance U.S. agricultural export sales. Funds in this account are used to cover the lifetime subsidy cost associated with these commitments in 2000 and beyond, as well as administrative expenses.

Title VI — FDA and Related Agencies

The bill provides roughly $1.1 billion for the FDA and related agencies, $59 million more than FY 2000 and $112 million less than the president's request.

Title VI — Related Agencies and Food and Drug Administration

Appropriation Account	FY 2000 Level	President's Request	**FY 2001 Proposal**	% Change from Last Year	% Change from Request
	(in millions)				
Food and Drug Administration	$1,049.0	$1,211.3	$1,102.3	+5.1%	-9.0%
Commodity Futures Trading Commission	$63.0	$72.0	$69.0	+9.5%	-4.2%
TOTALS	$1,112.0	$1,283.3	$1,171.3	+5.3%	-8.7%

Source: House Appropriations Committee

Food and Drug Administration (FDA)

The bill appropriates $1.1 billion for the FDA, $53 million more than FY 2000 and $109 million less than the president's request. The FDA, which is part of the Department of Health and Human Services (HHS), ensures that (1) food is safe and wholesome, (2) human and animal drugs, biological products, and medical devices are safe and effective, and (3) radiological products and use procedures do not result in unnecessary exposure to radiation. Through its regulation of food, FDA protects and promotes the health of nearly every American by monitoring the food industry to safeguard against contamination by dangerous bacteria, molds, and other natural and man-made toxins, and by regulating the safe use of veterinary drugs and feed additives to protect consumers against hazardous drug residues or by products that may remain in meat. FDA also assures that the consumers are not victimized by adulteration, promotes informative labeling to assist consumers in choosing foods, and examines imported foods to ensure that they meet the same standards as domestic products.

Commodity Futures Trading Commission (CFTC)

The bill provides $69 million to the CFTC, $6 million more than FY 2000 and $3 million less than the president's request. The commission promotes the economic utility of futures and options markets for agricultural products and regulates the commodity futures industry and other commodities by increasing their efficiency, ensuring their integrity, and protecting participants against abusive trade practices.

Farm Credit Administration (FCA)

The measure allows $36.8 million for the FCA in FY 2001, $1 million more than FY 2000. The president requested no funding for this program. FCA is responsible for regulating, supervising, and examining the institutions of the Farm Credit System. These activities provide short- and long- term credit to our nation's farmers, ranchers, and producers of aquatic products.

Title VII — General Provisions

The bill includes several general provisions that were included in last year's appropriation. This includes $4 million for hunger fellowships, $2 million more than last year, and $115 million for apple and potato loss assistance. The president requested no funds for these programs.

Costs/Committee Action:

A CBO cost estimate was unavailable at press time.

The Appropriations Committee ordered the bill reported by voice vote on May 10, 2000.

Jennifer Lord, 226-7860

FY 2001 Legislative Branch Appropriations Act

H.R.___

Committee on Appropriations
H.Rept. 106-___
To Be Submitted by Mr. XX

Floor Situation:

The House is scheduled to consider the FY 2001 Legislative Branch Appropriations Act during the week of May 22, 2000. Appropriations bills are privileged and may be considered any time three days after they are filed; they are debatable for one hour and are subject to one motion to recommit. At press time, the Rules Committee will meet and issue a rule on the bill prior to consideration. Additional information on the rule and potential amendments will be provided in a *FloorPrep* prior to floor consideration.

Highlights:

H.R.___ appropriates $1.8 billion for the House of Representatives and other legislative branch operations, $105 million less than in FY 2000. Specifically, the bill provides:

(1) $749.2 million for the House of Representatives a $8.8 million less than the FY 2000 level);

(2) $89.9 million for joint functions of the House and Senate (a $10.7 million decrease from last year); and

(3) $705.4 million for related agencies, such as the non-congressional work of the Library of Congress and the Government Printing Office (a $48.7 million decrease from last year). Spending for the operation of the Senate Operations is not part of this bill.

Background:

The Legislative Branch Appropriations bill funds House and certain Senate operations as well as various joint support services and federal agencies—such as the Library of Congress—that are associated with the legislative branch. Because of the separation of powers, these appropriations are forwarded and approved in a somewhat different manner than funding for executive departments and agencies. The budget for the legislative branch is divided into two titles. Title I contains funding for Congressional operations which includes funding for:

(1) the House of Representatives;
(2) joint items between the House and Senate, such as the Capitol Police, the Capitol power plant, and joint committees;)
(3) the Office of Compliance;
(4) the Congressional Budget Office;

(5) the Architect of the Capitol, congressional support items only;
(6) the Congressional Research division of the Library of Congress; and
(7) the Government Printing Office, for congressional printing and binding.

Title II funds several agencies related to the Legislative Branch, which include the Architect of the Capitol and the Government Accounting Office.

The president submitted his budget for the Legislative Branch on February 7, 2000. His budget asked for $2.69 billion, and was later revised to $2.71 billion. Although the president's budget request includes figures for the legislative branch, these numbers do not reflect his own policies. Rather, congressional offices and related agencies submit their own budget requests to the president, who must, by law, transmit it to Congress unchanged. Out of deference, the House and the Senate traditionally do not legislate on funding for those operations exclusive to the other body. Any disputes over joint operations or related agencies are resolved in conference.

Provisions:

Proposals have been made to include additional funds to the measure, however at press time *Legislative Digest* did not have information on these proposals. If any changes are made they will be published prior to consideration by the House. The Appropriations Committee reported the FY 2001 appropriations bill on May 9, 2000, providing for $1.818 billion, $105 million less than FY 2000, a 5.5 percent reduction. The measure includes:

—Title I - Congressional Operations —

The bill appropriates $1.11 billion for congressional operations. This is $56.84 million less than in FY 2000 and 168.63 million less than the president's request.

House of Representatives

H.R.___ appropriates $749.2 million for operations of the House for FY 2001, $8.78 million less than in FY 2000. This money funds House leadership offices, member's allowances, committee salaries and expenses, salaries for House officers and employees, the House day care center, and other general expenses. This amount does not include funds for either the costs associated with the transition to the 107th Congress or cost of living increases for House staff members. Some estimates predict that this will result in the loss of over 300 staff positions in the House.

House Leadership Offices. The bill provides $13.99 million for House leadership offices, $62,000 less than last year. This funding also provides development training for employees of the minority and majority parties.

Members' Representational Allowances. H.R.___ appropriates $400.5 million for members' allowances, $5.75 million less than in FY 2000 and $22.37 million less than the president's request. This account includes estimated allowances of $285.2 million for clerk hire salaries, $100.59 million for office expenses, and $14.7 million for official mail. Each member has an overall consolidated allowance from which staff salaries, office expenses, and mail costs are drawn. This gives members more flexibility to distribute funds among different functions according to their own priorities and make it easier for them to show savings achieved when they do not spend their full allowances.

Historically, the Appropriations Committee included a provision in the Legislative Branch bill that would prevent the transfer of the unused portion of Member's Requisition Accounts (MRA's) for use by other House accounts. This year, because of the reduction in MRA funding, this provision was not included in this year's appropriation bill so that, if necessary, surplus MRA funds can be transferred to areas where funding reductions cannot be sustained.

House Committees. The measure allocates $110.13 million for salaries and expenses of the House's 19 standing committees and one permanent select committee—$4.8 million less than in FY 2000 and $11.6 million less than the president's request.

House Officers and General Employees. H.R.___ provides $86.37 million for the salaries and expenses of the officers and general employees of the House, $3.78 million less than in FY 2000 and $12.18 million less than the president's request.

Allowances and Expenses. The bill appropriates $138.19 million to the House's allowances and expenses account, $5.66 million more than the FY 2000 level and $4.63 million less than the president's request. Over 98 percent of this funding pays for the employer share of retirement, health care, and unemployment compensation for House employees. The remaining funds finance the purchase of supplies and materials; administrative costs; federal tort claims; official mail for committees, leadership, and administrative offices; and other miscellaneous items.

Joint Items

H.R.___ provides $89.98 million for various joint committees and activities shared with the Senate, $10.65 million less than in FY 2000 and $43.1 million less than the president's request.

Joint Economic Committee (JEC). The measure allocates $3.07 million for the JEC, $128,000 less than in FY 2000 and $243,000 less than the President's request. The JEC reviews economic conditions and recommends to Congress improvements in economic policy.

Joint Committee on Taxation (JCT). The bill appropriates $6.17 million for the JCT, $257,000 more than in FY 2000 and $573,000 less than the president's request. JCT is responsible for investigating the operations and effects of the federal Internal Revenue Service, investigating methods for simplifying the tax code, and reporting to the Senate Finance Committee and the House Ways & Means Committee on tax measures.

Office of the Attending Physician. The bill allocates $1.835 million for the Office of the Attending Physician—$56,000 more than in FY 2000—for medical supplies, equipment, expenses, and allowances of Navy personnel detailed to the Office of the Attending Physician—the same as the President's request.

Capitol Police Board. The measure appropriates $76.67 million—$8.24 million less than the FY 2000 level and $42.1 million less than the president's request—for expenses and personnel for the Capitol police (which include both House and Senate payrolls). The Capitol Police Board estimates that this 12 percent reduction in its budget will reduce the current force by 438 positions.

Capitol Guide Service and Special Services Office. H.R.___ appropriates $2.2 million—$92,000 less than last year and $170,000 less than the president's request—for the operation of the Capitol Guide Service and Special Services. The Capitol Guide Service assists the millions of visitors to the Capitol each year, and the Special Services Office assists official visitors and those who require special assistance because of physical disabilities.

Statements of Appropriations. The measure allocates $29,000 for preparing the statements of appropriations for the first session of the 106th Congress, compiled jointly by the House and Senate Committees on Appropriations.

Office of Compliance

The bill appropriates $1.81 million, $176,000 less than in FY 2000 and $279,000 less than the president's request, for salaries and expenses of the Office of Compliance, which oversees the enforcement of the congressional accountability laws. The budget reduction reflects a diminished workload at the office since it has completed startup activity required under the Congressional Accountability Act.

Congressional Budget Office (CBO)

H.R.___ appropriates $25.1 million for CBO, $1.02 million less than in FY 2000 and $3.39 million less than the president's request. The 1974 Budget Act (as amended) requires CBO to (1) provide budget scorekeeping by maintaining current accounts of congressional revenue and spending actions; (2) prepare five-year cost estimates for bills reported by authorizing committees; (3) supply information on tax expenditures and revenues; (4) report annual projections of new budget authority, outlays, and revenues for the coming five fiscal years; (5) prepare three advisory sequestration reports annually; and (6) respond to requests from congressional committees for economic and budgetary information and analyses. The Unfunded Mandate Reform Act (*P.L. 104-4*) also charges CBO with estimating the costs to state and local governments, as well as the private sector, of complying with federal legislation. The CBO estimates that this funding level will require it to reduce its workforce by 14 percent, or 31 positions.

Architect of the Capitol

The measure appropriates a total of $114.75 million—$23.62 million less than in FY 2000 and $45.55 million less than the president's request—for the Architect of the Capitol. The architect performs various operational and maintenance activities that are directly related to the operation of Congress.

Of this amount, the measure provides (1) $41.95 million to operate and maintain the Capitol building, $11.74 million less than in FY 2000, and 18.09 million less than the president's request; (2) $4.56 million for the care and improvement of the grounds surrounding the Capitol and the House and Senate office buildings, $849,000 less than in FY 2000, and 1.56 million less than the president's request; (3) $29.68 million for the operation of the House office buildings, $11.66 million less than in FY 2000, and 23.58 million less than the president's request; and (4) $42.95 million for operating the Capitol power plant, $1.06 million more than in FY 2000, and 2.31 million less than the president's request. The Architect's office estimates that these reductions will cut its budget by almost 18 percent and result in the loss of 156 positions.

Library of Congress

Congressional Research Service (CRS). The bill provides $66.2 million for CRS functions of the Library of Congress, $4.78 million less than in FY 2000, and 9.4 million less than the president's request. The CRS division of the Library of Congress is funded under the congressional operations title. CRS provides research and reference services to members' offices and committees. CRS estimates that these reductions will result in the reduction of 114 personnel, and prevent any attempts to find replacements for its aging research staff. Approximately half of all CRS staff will be eligible to retire by 2006. The budget request includes funds to continue into its third year of the CRS staff succession program and replace staff lost in the FY 2000 recission.

Government Printing Office (GPO), Congressional Printing and Binding

H.R.___ provides $65.46 million to print and bind congressional documents (part of the congressional operations account), $7.84 million less than in FY 2000 and $15.34 million less than the president's request. The GPO prints the *Congressional Record,* committee reports, bills, resolutions and amendments; records of hearings, and other documents for Congress.

Title II - Other Agencies —

The measure allocates $705.39 million for other agencies associated with the legislative branch, $48.72 million less than in FY 2000 and $112.6 million less than the president's request.

Botanic Garden

H.R.___ appropriates $3.22 million for the salaries and expenses of the Botanic Garden, $222,000 less than last year and $1.7 million less than the president's request.

Library of Congress (except CRS)

The measure appropriates $323.9 million for the Library of Congress (excluding CRS), $523,000 more than last year and $28.54 million less than the president's request. Specific accounts include: (1) $263 million plus 6.85 million in offsetting receipts for salaries and expenses, $4 million more than in FY 2000, and $22 million below the president's request; (2) $6.99 million for the copyright office, a $4.2 million decrease from the current year; (3) $48.5 million for books for the blind and physically handicapped, a $705,000 increase; and (4) $5.39 million for furniture and furnishings, identical to the amount appropriated last year.

Architect of the Capitol, Library of Congress Buildings and Grounds

The bill provides $15.13 million to the Architect of the Capitol to care for and maintain the Library's building and grounds, $4.7 million less than in FY 2000 and $5.15 million less than the president's request

Government Printing Office (GPO), Superintendent of Documents

H.R.___ provides $11.6 million for the non-congressional printing activities of the Office of the Superintendent of Documents, $18.27 million less than last year and $22.8 million less than the president's re

FY 2000 Legislative Branch Appropriations

Appropriation Account	FY 2000 Level	President's Request*	**FY 2001 Level**	% Change from Last Year	% Change from Request
	(in millions)		(in millions)		
Title I--Congressional Operations					
House of Representatives	$758.0	$800.7	$749.2	-1.2%	-6.4%
Joint Items	$100.6	$133.1	$90.0	-10.6%	-32.4%
Office of Compliance	$2.0	$2.1	$1.8	-10.0%	-14.3%
Congressional Budget Office	$26.1	$28.5	$25.1	-3.9%	-11.9%
Architect of the Capitol	$138.4	$160.3	$114.8	-17.1%	-28.4%
Congressional Research Service (CRS)	$71.0	$75.6	$66.2	-6.7%	-12.5%
Government Printing Office (Congressional Binding and Printing)	$73.3	$80.8	$65.5	-10.7%	-19.0%
Subtotal--Title I	$1,169.4	$1,281.1	$1,112.5	-4.9%	-13.2%
Title II--Other Agencies					
Botanic Garden	$3.4	$4.9	$3.2	-5.9%	-34.6%
Library of Congress (Except CRS)	$323.4	$352.4	$323.9	+0.2%	-8.1%
Architect of the Capitol (Library Buildings and Grounds)	$19.9	$20.3	$15.1	-24.1%	-25.4%
Government Printing Office (except Congressional Binding and Printing)	$29.9	$34.5	$11.6	-61.1%	-71.4%
GPO Revolving Fund		$6.0			
General Accounting Office	$377.6	$399.9	$351.5	-6.9%	-12.1%
Subtotal--Title II	$754.1	$818.0	$705.4	-6.5%	-13.8%
TOTALS	$1,923.5	$2,099.2	$1,817.9	-5.5%	-13.4%

Source: House Appropriations Committee

*Legislative branch agencies submit their budget requests to the president, and by law he must transmit them, unchanged, to Congress in his annual budget. That is, "President's Request" numbers are not derived by the president but are requested by congressional offices and related agencies themselves.

quest. The Office of the Superintendent of Documents funds the salaries and expenses of GPO, which is responsible for distributing, cataloging, and indexing government publications. The total GPO budget, including both Title I and Title II provisions will be reduced by 25.3 percent and reduce GPO staff by over 385 employees.

General Accounting Office (GAO)

The bill appropriates $351.53 million for salaries and expenses of GAO, $26.03 less than in FY 2000 and

$48.39 million less than the president's request. The direct appropriations for the GAO contains $3 million in offsetting collections derived from reimbursements for conducting financial audits of government corporations. The GAO estimates that this 6.9 percent reduction in its budget would result in almost 700 employees being lost. Since 1992 the GAO has been under a hiring freeze and is facing staffing problems due to the fact that at the end of FY 2004, 34 percent of the GAO evaluators, 48 percent of its management evaluators, and 55 percent of its senior executives will be eligible for retirement.

Costs/Committee Action:

A CBO cost estimate was unavailable at press time.

The Appropriations Committee reported the bill reported by voice vote on May 9, 2000.

Other Information:

"Appropriations for FY 2000: Legislative Branch," *CRS Report RL30512*, May 5, 2000; "Layoffs, Cuts Coming to Hill," *The Hill*, May 4, 2000.

Greg Mesack, 226-2305

To Authorize Extension of Permanent Normal Trade Relations to the People's Republic of China

H.R. 4444

Committee on Ways and Means
Report 106-
Introduced by Mr. Archer *et al.* on May 15, 2000

Floor Situation:

The Rules Committee is scheduled to meet at 11:00 a.m. on Tuesday, May 23, 2000, to grant a rule for H.R. 4444. A description of the rule and any amendments made in order will be provided in a *Floor Prep* prior to floor consideration.

Summary:

H.R. 4444 grants the president the authority to exempt the People's Republic of China from Title IV of the Trade Act. The President would first submit to Congress a report outlining the terms and conditions for the People's Republic of China's accession into the WTO, which are at least equivalent to those agreed to in the November 15, 1999, bilateral agreement. This bill would enforce the product-specific safeguard, the "import surge mechanism", established under the U.S.-China Bilateral Trade Agreement. It establishes clear standards regarding Presidential implementation of the provision to provide relief to injured industries and workers. Finally, H.R. 4444 implements the U.S.-China Agreement.

Background:

Over the past several years, China has been negotiating to become a member of the World Trade Organization (WTO), the international agency that administers multilateral trade rules. These negotiations moved slowly over the past several years, but on November 15, 1999, the United States and China reached an agreement on China's WTO membership that would require China to reduce or eliminate barriers to trade in agriculture, industrial products, and services. China must complete bilateral negotiations with the major trading partners, and complete talks with the WTO Working Party, before the full WTO body can vote on China's membership. In order to ensure that the WTO agreements between the United States and China would fully apply, the President is urging Congress to vote to grant China permanent Normal Trade Relations (NTR) status.

The rules for joining the WTO are outlined in the Agreement Establishing the WTO, which implemented the Uruguay Round of multilateral trade negotiations. The Agreement provides that any state or separate customs territory may accede to the WTO "on terms to be agreed between it and the WTO."

Accession to the WTO is a two-part process which includes: 1) consulting a Working Party of WTO members, and 2) participating in bilateral negotiations with each major trading partner, such as the EU and the United States. The Working Party seeks to ensure the applicant's acceptance of the general principles established by the WTO. The bilateral agreements focus on tariff concessions and other market access issues that will govern bilateral trade relations after the applicant becomes a member, and that will apply on an MFN basis to all other WTO members.

An applicant becomes a member by persuading the Working Party and then the full WTO to approve an accession package, which lists the commitments undertaken by the applicant concerning WTO rules, a Working Party report elaborating on those commitments, and a schedule of bilateral market accession commitments for trade in goods and services. The Chinese are currently developing such a package with the Working Party in Geneva and its trading partners.

Membership in the WTO is a top priority for China because it will allow them to be recognized as a growing economic power and have a role in the development of trade rules and dispute negotiations. Despite its growing economic presence, China maintains that it is a “developing country”. If China is granted this designation, it would have special privileges regarding time and flexibility in implementing the terms of admission. However, many WTO members, including the United States, have argued that China should make substantial reforms to its trading practices in order to join the WTO.

On November 15, 1999, officials from the US and China reached an agreement in their bilateral negotiations on China’s accession to the WTO. Some of the major commitments China has agreed to include the following:

- Provide full trading and distribution rights (including the ability to provide services auxiliary to distribution) for U.S. firms in China;

- Cut average tariffs on agricultural products from an overall average of 22% to 17.5%; tariffs for U.S. priority agricultural products (such as beef, grapes, wine, cheese, poultry, and pork) would fall from 31% to 14%). Overall industrial tariffs would fall from an average of 24.6% to 9.4%; tariffs on U.S. priority industrial products would fall to 7.1%. Tariffs on information technology products (such as computers, semiconductors, and telecommunications equipment) would fall from an average of 13.3% to zero;

- Establish a tariff-rate quota system for imports of agricultural bulk commodities (such as wheat, corn, cotton, barley, and rice), i.e., imports up to a specified quota level would be assessed a low tariff (1-3%), while imports above a certain level would be assessed a much higher tariff rate. In addition, private trade in agricultural products would be permitted for the first time;

- Phase out quotas and other quantitative restrictions (some upon accession, many within two years);

- Eliminate unscientifically based sanitary and phytosanitary restrictions on agricultural products, end export subsidies, and reduce domestic subsidies;

- Open service sectors, including distribution, value-added telecommunications, insurance, banking, securities, and professional services. China would expand (over various transitional periods) the scope of allowed services and gradually remove geographical restrictions on foreign service providers. The amount of permitted foreign ownership in service industries would vary (and in some cases expand over time) from sector to sector;

- Reduce restrictions on auto trade. Tariffs on autos would fall from 80-100% to 25% (tariffs on auto parts reduced to an average rate of 10%) by 2006. Auto quotas would be eliminated by 2005. U.S. financial firms would be allowed to provide financing for the purchase of cars in China;

- Remove various restrictions on foreign investors in China, including technology transfer, local content, and export performance requirements;

- Accept the use by the United States of certain safeguard, countervailing, and antidumping provisions (over transitionary periods) to respond to possible surges in U.S. imports from China of various products, such as textiles, that might cause, or threaten to cause, market disruption to a U.S. industry;

Congress does not play a direct role in the WTO accession process. With China's accession into the WTO imminent in the future, Congress must determine whether to extend PNTR to China. If Congress does not grant PNTR, and current law is not changed, the United States would, prior to China's admission, be forced to invoke Article XII, the non-application clause, making the WTO agreements not applicable between the U.S. and China.

If Congress does not grant China PNTR status, U.S. exporters will not be able to receive the full benefits of China's WTO accession. The concessions China has made in its trade policies open its markets unilaterally. U.S. policy was not altered in any way to reach this agreement. Additionally, this agreement allows for further involvement of the U.S. in Chinese policies in order to promote reform within China. In her statement on China, Secretary Albright argues "we will see greater prospects for progress by pursuing our interests through our ties with China than by cutting those ties."

Arguments For and Against the Bill

For:

By expanding trade with the rest of the world, China opens itself to freedom. In order to participate in the world market, the Chinese leadership must allow widespread information-sharing among the Chinese people. In addition to empowering the people, and furthering the reform process, China's participation in the WTO will undermine its centralized government. As Chairman Greenspan noted, "history has demonstrated that implicit in any removal of power from central planners and broadening of market mechanisms, as would occur under WTO, is a more general spread of rights to individuals."

In addition to all the benefits of WTO membership for the Chinese people, U.S. businesses and farmers will benefit from the new market opportunities. By granting PNTR to China, the U.S. can use the WTO to enforce free and fair trade. When sanctions are necessary, they will be supported by all member-nations. By not grant PNTR, U.S. businesses and farmers are hurting themselves while other countries benefit from the agreement the U.S. negotiated. Finally, with or without PNTR status, the U.S. will continue to enforce international trade practices, to the benefit of the other countries.

China's industrialization and rapid economic growth means that China will become an import market for U.S. goods and services. As their economy grows, so will Chinese purchasing power grow, increasing the demand for U.S. goods and services.

Opposed:

Opponents of granting PNTR, site China's human rights, intellectual property rights (IPR), environmental policies and the growing trade deficit between China and the United States. Concern has arisen that granting PNTR will end the annual review of China's policies and the United States will lose any influence over changing these egregious policies and practices. It could be construed that by granting PNTR in light of recent violations of IPR and human rights, the United States is rewarding the Chinese government for continued bad behavior.

China's use of prison labor for goods production violates basic human rights. While the Chinese dispute these charges, current U.S. law prohibits the import of goods or services from any country that uses forced labor. Though these charges remain difficult to prove, many international human rights activists attest to the validity and the U.S. Department of State's reports details China's reluctance to cooperated with the investigation into these charges. Additionally, the continued widespread persecution of Christian clerics in China remains not just routine, but has actually worsened in recent years.

The large supply of cheap labor in China, has concerned American workers who fear that international corporations will move manufacturing jobs to China to lower production costs. As U.S. corporations gain new access to the Chinese markets, they will not only have access to a new market, new labor supply. Recently, the strength of the U.S. economy has raised wage prices, driving up overall production costs making PNTR a real threat to many Americans' jobs.

China has violated intellectual property rights (IPR) on a number of occasions. In 1991, China was named a "priority foreign country", identifying them in violations of U.S. patents, copyrights and trademarks. The U.S. threatened to impose trade sanctions if an agreement on IPR coundl not be reached by January, 1992. Since that agreement, China has been designated a "priority foreign country" twice--in 1994 and in 1996. The most recent agreement with China on IPRs was reached in April, 1999. The U.S. Trade Representative remains concerned about piracy of intellectual property rights as China's law enforcement agencies lack sufficient resources to enforce its own laws. In addition, tariffs and other trade barriers on U.S. exports have contributed to this piracy by making U.S. goods either too expensive or unavailable to Chines consumers.

China has used high tariffs and trade barriers to further the development of its domestic industries. These prohibitive trade policies encourage the import of raw materials and heavy machinery, while discouraging the import of many foreign goods and services. Foreign companies are often prohibited from selling their goods directly to Chinese consumers and are subject to hard to understand and arbitrary import rules. These unfair practices have concerned U.S. trade officials as the trade deficit grows.

As China becomes more involved in technology, there is increased concern for our national security interests. Only two short years ago, China did not have the technological ability to locate U.S. Naval ships. China has developed more advanced AWACS-type equipment and improving their radar technology. These technology advances have vastly improved their detection capabilities.

Views:

The Republican Leadership and the Clinton Administration support passage of H.R. 4444.

Costs/Committee Actions:

H.R. 4444 does not affect direct spending, so therefore pay-as-you-go procedures do not apply. This measure was reported by the Committee on Ways and Means on May 17 by a vote of 34-4.

Courtney Haller, 226-6871

Elimination of the Spanish American War Excise Tax

H.R. 3916

Committee on Ways and Means
Report 106-
Introduced by Mr. Portman *et al.* on March 14, 2000

Floor Situation:

The Rules Committee is scheduled to meet at 11:00 on Tuesday, May 23, 2000, to grant a rule for H.R. 3916. A description of the rule and any amendments made in order will be provided in a *Floor Prep* prior to floor consideration.

Background:

Enacted in 1898 to raise emergency funds during the Spanish American War, a federal telephone excise tax is still in place in the 21st century. At its inception, this tax was intended to be a luxury tax on long-distance service. In 1898, when telephone and long-distance services were outrageously expensive and usage was limited, an excise telephone tax was easily justified as a luxury tax, for expensive, non-essential goods or services. Despite numerous attempts over the past century to repeal this egregious tax, it is still with us today and was set permanently at 3 percent in 1990.

Summary:

H.R. 3916 would eliminate the three percent federal excise tax on telecommunications services phasing in a complete repeal of the tax over the next three years. A one percent reduction will occur each year for the next three years, allowing the tax to be fully repealed by October 1, 2002. The first reduction would take effect 30 days after this bill was enacted into law, the second on October 1, 2001, and the final repeal on October 1, 2002.

Views:

The Republican Leadership supports passage of H.R. 3916. The Clinton Administration has indicated that they support phasing out the telephone tax, however they believe that this and other tax policy objectives should be enacted as part of an overall budget framework.

Cost/Committee Action:

CBO estimates that enactment of H.R. 3916 will cost $19.8 billion over five years.

The measure was reported by the Committee on Ways and Means on May 17 by a voice vote.

Courtney Haller, 226-6871

Quality Health-Care Coalition Act of 1999

H.R. 1304

Committee on the Judiciary
H. Rept. 106-625
Introduced by Mr. Campbell *et al.* on March 25, 1999

Floor Situation:

The House is scheduled to consider H.R. 1304 the week of May 22, 2000. The Rules Committee will meet next week on the bill. A description of the rule and any amendments made in order to the bill will be available in the *FloorPrep* prior to its consideration on the House floor.

Summary:

The bill applies the federal antitrust laws to negotiations between groups of health care professionals and health plans and health insurance issuers in the same manner that these laws apply to collective bargaining by labor organizations under the National Labor Relations Act. The bill, as reported by the Committee, places health care professionals who are engaged in negotiations with a health plan regarding the terms of any contract for goods or services on the same status as union employees who negotiate wage and working conditions with their employers. The bill provides protections to health care professionals from liability for good faith actions and is effective for three years after which it will be reviewed to determine whether it should be extended..

Background:

Most Americans receive their health care services through large, managed health care plans, however, serious questions have arisen about the quality and cost of the health care patients are receiving under these plans. More problematic is the concentration of the health care industry in recent years. During the past decade there have been more than 162 mergers of health care providers. Adding to this concentration within the industry is the McCarran-Ferguson Act which provides that "No Act of Congress shall be construed to invalidate, impair or supersede any law enacted by any State for the purpose of regulating the business of insurance…unless such Act specifically relates to the business of insurance." The result of this law is that most regulation of the insurance industry has been left to the states and provides increased opportunities for insurance companies to exercise market power over both patients and their doctors and other health care providers. So while the antitrust laws may not specifically relate to the McCarran-Ferguson Act, existing case law suggests that the Act does not either permit or authorize insurance companies to merge or acquire or maintain market power.

The antitrust laws exempt the labor of "a human being" and specifically authorize the formation and existence of labor unions. Under the National Labor Relations Act (29 U.S.C. 157) and sections of the Norris-LaGuardia Act (29 U.S.C. 101-115) employees are granted collective bargaining rights which permits them to negotiate with their employers. H.R. 1304 extends this "authorization" or exemption from the antitrust laws to non-employee, independent physicians and other health-care professionals. It creates a legal fiction that for purposes of joint negotiations with non-federally affiliated health care plans, physicians and other health-care providers are "employees" as recognized under the federal labor laws (NLRB Act). There is one difference in that H.R. 1304 expressly does "not confer any right" to participate in any collective cessation of service to patients (section 2(c)(1)). It also protects good faith actions by those negotiating from any civil or criminal liability under the antitrust laws (section 3(b)). There is no limitation on the subjects that may be negotiated so fees could be a part of negotiations with health plans although some state laws impose certain limitations. The negotiating authority granted by H.R. 1304 sunsets in 3 years after which the General Accounting Office is to study the impact of the legislation and make recommendations with regard to its continuation.

Costs/Committee Action:

The Congressional Budget Office (CBO) performed an extensive analysis of H.R. 1304 and its potential costs. The entire CBO analysis is set forth in the Committee report (H.Rept. 106-625). CBO estimates that federal tax revenues would fall by $145 million in 2001 and by a total of $3.6 billion over the period of 2001-2010. The bill directly affects spending and revenues of the federal government, thus pay-as-you-go procedures would apply.

The Committee ordered the bill reported on March 30, 2000 by a vote of 26-2.

Eric Hultman, 226-2304